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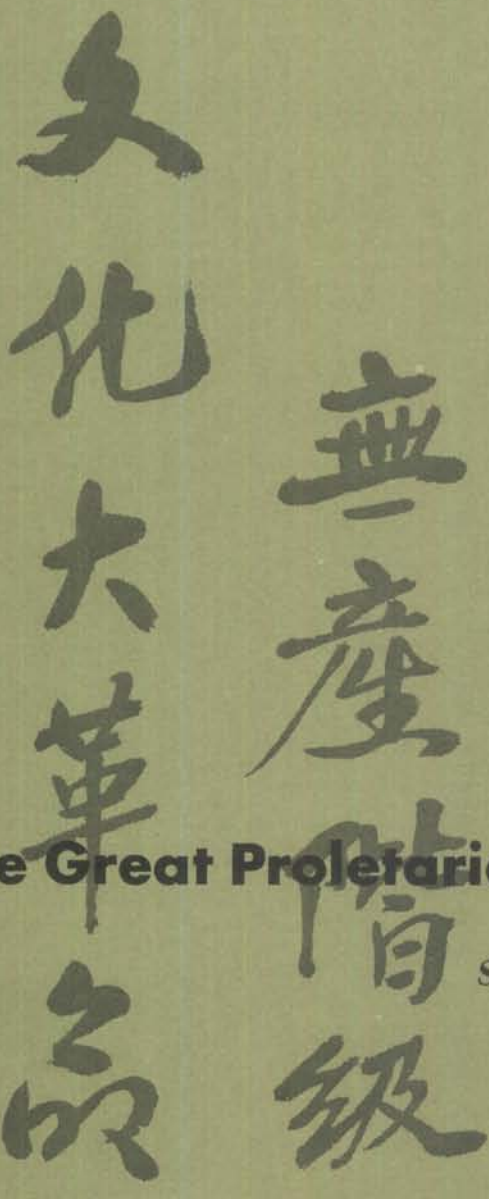

The Great Proletarian Cultural Revolution

Economics
Stratification
Ideology

ЈУГОСЛАВИЈА — JUGOSLAVIJA

Evolution

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The New Revolution: IV

EDITORS' NOTE: The "Great Proletarian Socialist Cultural Revolution" has been sweeping the Chinese mainland for over two years. If official accounts are to be trusted, it must have caused not only ideological and political chaos but profound economic dislocation as well. Whether China's economy has really suffered thus far, and how its long-range goals of economic development and modernization have been affected, are questions to which Mr. Prybyla addresses himself. Mr. Funnell focuses attention on the process of social stratification in Communist China, seeing in Mao's determination to reverse it and restore pristine Marxist egalitarianism one of the key motivating factors of the Cultural Revolution. In the third article, Mr. Powell compares Mao's ideological rationale for the Cultural Revolution with some of the theories used by Stalin to justify the "Great Purge" of the 1930's and the "vigilance campaign" of the late 1940's and early 1950's. While the differences between Stalin's and Mao's methods—as the author points out—are striking, the similarities are no less remarkable—and ominous. For previous articles in this series, see the November-December 1966 and the March-April and May-June 1967 issues of this journal.

The Economic Cost

By Jan Prybyla

Attempts to estimate the impact of the so-called Cultural Revolution on the economy of Communist China run up against four major obstacles.

First, the Chinese Communists have released no economic statistics other than percentage data since 1960, and since the autumn of 1965 even the latter have become scarce. In August 1967, for example, there was no statistical reporting of any kind from twenty provinces, while percentage claims from regions under the control of Mao's revolutionary committees have been fragmentary (usually relating to particular counties or industrial plants) and highly suspect. It seems quite probable that the

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"revolutionary rebels" have communicated to Peking only the sort of data that made the power takeover look good. It is also important to note that even the figures published before 1960 are subject to doubt because of the regime's well-known propensity for political exaggeration and the modest state of statistical science and reporting procedures in China. In addition, the Great Leap years may well have resulted in a disorganization of China's statistical services, with the departure of Soviet experts in 1960 and the administrative breakdown after 1965 further aggravating an already unsatisfactory statistical situation.

Secondly, since the outbreak of the Cultural Revolution—but especially since January 1967, when the revolution was extended to factories and farms —there has been very little meaningful economic discussion and analysis in the Chinese press. Slogans such as "grasp the revolution and stimulate production" are not very helpful, whatever light they may throw on the psychology of the ruling faction. There have been scattered calls for putting an end to disruption in factories, exhortations to the peasants and the army for a special effort in connection with spring work in the fields, and appeals for clearing the channels of communication—all accompanied by reports of strikes, clashes, and lax labor discipline. But both the implications of the various appeals and the truthfulness of the reports are difficult to establish with any precision.

Thirdly, such reports on the state of the Chinese economy as reach the outside world through Western tourists, reporters, and businessmen, or through refugees, are conflicting, often questionable, and always fragmentary. Eyewitness reports on Communist China, even when sober and unprejudiced, leave one with the uncomfortable feeling that "being there" does not necessarily ensure a thorough grasp of the Chinese situation. Indeed, a review of some of the eyewitness literature that came out just before the Cultural Revolution reveals an extraordinary lack of insight into both current developments and the whole Communist process in China. Few of the modern Marco Polos noticed any signs of the impending apocalyptic upheaval or even hinted at the rifts that were already nearing the surface of the apparently monolithic regime. The problem of obtaining trustworthy reporting out of China has become even more intractable since early 1966, as travelers to the Chinese mainland have been fewer and their chances of gathering reliable information more restricted than ever. This has curbed but by no means stopped the flow of eyewitness accounts.

Fourth and finally, there is the problem of cultural distance, which makes Western evaluations of Chinese behavior difficult. Moreover, China is vast, the population enormous, and the economy varied and still imperfectly integrated. Generalizations about the Chinese, the Chinese Communists, and the Chinese Communist economy must, therefore, be taken with much caution.

The Point of Departure: 1965

From 1961 to 1965, the economy of Communist China was run along revisionist lines. It was a period of readjustment and consolidation following the setbacks and disruptions of the Great Leap Forward. It must also have been a period of bitter internal controversy about the future course of economic policy. While some of those in authority were organizing countrywide "socialist education" campaigns and "four clean-up" movements, and were urging everyone to learn from the People's Liberation Army and the thought of Mao, others were breaking up the communes into economically more viable units, restoring private plots, stimulating free markets, reshuffling investment priorities, and generally pursuing a pragmatic and reformist course in the management of the economy.[1] In Marxist language, the former were working on the superstructure, the latter on the base of society. This mute struggle between the Great Leapers, consigned after 1960 to the superstructure, and the reformists in charge of the economy, between the revolutionary romantics and the party bureaucrats, between guerrilla communism and revisionist technocracy, had no visibly adverse effects on the economy; on the contrary, such evidence as is available points to a gradual improvement of economic conditions. The relatively pragmatic course of the economic managers was embodied in the third Five-Year Plan scheduled to run from 1966 through 1970. However, only the most general outlines of the plan were made public in January 1966.

Four phases of the Cultural Revolution may be distinguished to date: (1) a "prerevolutionary" phase from mid-1964 to November 1965—the pe-

[1] See Jan S. Pryblya, "Communist China's Strategy of Economic Development, 1961-1966," *Asian Survey*, October 1966, pp. 589-603; Chi-ming Hou, "Communist China's Economic Development Since the Great Leap," in Jan S. Prybyla (ed.), *The Triangle of Power, Conflict, and Accommodation: The United States, the Soviet Union, Communist China*, University Park, Pennsylvania State University, Center for Continuing Liberal Education, 1967, pp. 75-84.

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riod of the socialist education campaigns and "four clean-up" movements, ending with the publication in Shanghai of a Maoist-inspired attack on the historian and deputy mayor of Peking, Wu Han; (2) the first, or Party and Cultural Purge phase of the Cultural Revolution proper, from November 1965 to the August 1966 Central Committee plenum—covering the purge of Peking party First Secretary P'eng Chen and the Municipal CCP Committee, of party propaganda chief Lu Ting-yi and others; (3) the second, or Red Guard phase from August 1966 to late December of that year—highlighted by the debut of Mrs. Mao (Chiang Ch'ing) in a leading revolutionary role, by monster Red Guard rallies in Peking, and attacks on everything "bourgeois," by the dismissal of T'ao Chu from his recently acquired post as Lu Ting-yi's successor and the self-criticisms of Liu Shao-ch'i and Teng Hsiao-p'ing; (4) the third, or Economic Warfare and Revolutionary Rebels phase, which began on December 26, 1966, with editorials calling on the Red Guards and new Maoist workers' formations (revolutionary rebels) to carry the revolution into factories and farms—a phase that has been marked by strikes, armed clashes between workers and Red Guards, "takeovers" by revolutionary rebels of factories, banks, railroad yards and ports, and a protracted campaign against "economism." It is this last phase, as yet incomplete, which is likely to have the greatest impact on the performance of the economy. Though it will take time for the full impact to be felt, there already are signs that the economy is beginning to experience the effects of the Maoist infiltration.

To sum up, the Cultural Revolution has gradually progressed from the superstructure—*i.e.*, the realms of party and government affairs and of cultural activity in the widest sense [2]—toward the economic base of Chinese society, that is, towards seizure of the economic apparatus. In a sense, it has also moved from form to content, from ideas about policy to the actual formulation of policy. The transition now going on is crucial and may well prove to be the undoing of the utopian, guerrilla faction. The Maoists have little to offer in the way of economic policy that can be interpreted as a forward thrust toward modernization—and modernization is what China needs, and probably desires, above all else. The effectiveness of Mao's thought has so far been tested in realms that elude quantification; it is now on the point of being tested in terms of tons of steel produced, bushels of wheat grown, etc.—in other words, in terms of "concrete" economic variables.

Historical Parallels

It is important to repeat that the economic effects of politico-ideological disturbances take time to work themselves out. What we have at present is evidence of factors which are likely to contribute toward a more general dislocation of the Chinese economy at some time in the future.

Some historical parallels are useful in this connection. The late Naum Jasny has explored the hypothesis of politically-induced business cycles in Stalin's Russia and has found a correlation between politically-motivated drives, on the one hand, and dips in national income, industrial output, freight traffic, and other indicators of economic activity, on the other.[3] More significantly, he has shown that periods of serious economic recession were associated with all-out attacks by the regime on the economic base, as exemplified by the collectivization drive of the early 1930's. It was when Stalin's "culture" directly invaded the farm and factory that the dip in economic activity was greatest. On the other hand, palace revolutions affected the economy much less. Even formidable ones, such as the great purges of the late 1930's, merely produced stagnation in the economic base; and at times, as for instance during the succession struggle following Stalin's death, the decline in economic activity was small.

Although it would be risky to apply Jasny's analysis to post-1949 China without qualifications, his study does reveal a great deal about the relation between the citizens of Communist countries as producers and their regimes as leaders. It may be that the Chinese are even more adept than the Russians at going their own way regardless of disturbances in the superstructure. When, however, as during the Great Leap, the superstructure invades the farm and workshop in an attempt to impose radical changes on the economic base, the latent antago-

[2] "International historical experience of the dictatorship of the proletariat shows that this dictatorship cannot be consolidated nor can the socialist system be consolidated, unless a proletarian cultural revolution is carried out and persistent efforts are made to eradicate bourgeois ideology." (From *Hung Chi* editorial, "Long Live the Great Proletarian Cultural Revolution," published in English in *The Great Socialist Cultural Revolution in China*, No. 4, Peking, Foreign Languages Press, 1966, p. 5.)

[3] Naum Jasny, *Soviet Industrialization 1928-1952*, Chicago, University of Chicago Press, 1961.

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nistic contradiction shows up sooner or later in production and productivity performance. Communist China may very well be facing just that kind of development at the present juncture of the Cultural Revolution.

It is widely agreed, moreover, that in the period since the Communist seizure of power China, too, has gone through some such sequence of boom and depression as Jasny detected in Stalinist Russia. The upward swing in the Chinese business cycle lasted from about 1950 through mid-1958 (the period of reconstruction and the first Five-Year Plan, and the beginning of the Great Leap). A downswing followed from the latter part of 1958 through 1961 or early 1962. From 1962 till 1966 there were signs of steady recovery to levels somewhat above those of 1957. In 1967 there was some suggestion of renewed stagnation, perhaps foreshadowing another downswing in the Chinese Communist business cycle.

Agriculture

Part of this argument may be quantified, even though the post-1957 figures must necessarily be extrapolations, estimates, and informed guesses. Taking agriculture first, Table I presents crop acreage and output figures for the years 1952, 1957, 1961, 1965, and a total output figure for food grains in 1966. The year 1952 represents the last year before the launching of China's first Five-Year Plan, which was drawn up with the help of Soviet advisers and followed fairly orthodox Stalinist lines. The year 1957 represents the terminal year of that plan and is not far from the peak of the business cycle, as outlined above. 1961 is the first year after the collapse of the Great Leap Forward and is fairly close to the trough of the post-leap depression (it was also a year of natural disasters). 1965 is the last year preceding the Cultural Revolution and reflects the results of the readjustment and consolidation policies pursued after 1961. The year 1966 covers part of the first phase and the whole of the second phase of the Cultural Revolution. Here we are on very slippery ground, with only the barest estimated data to go on. (More will be said later on developments in that year.)

It should be noted that some estimates have placed the total 1965 output of food grains at substantially less than the 200 million metric tons cited here. These estimates point to a figure of 180 million tons for 1965, following a recovery peak of 185 million tons in 1964 (equaling 1957 output). In any case, there was a distinct recovery of agricultural production after 1961, due in part to favorable weather but also, and more importantly, to the implementation of a new strategy of development which placed agriculture first on the list of planned priorities. This meant vesting production and income-distribution functions in the basic units of the communes (the production teams), renewed toleration of household plots and free agricultural markets, and significant increases in the output of chemical fertilizer and agricultural equipment. Instead of ambitious schemes to expand acreage, the new strategy emphasized the improvement of farming practices on existing agricultural land. This revisionist approach to established Communist economic priorities has been assailed in the course of the Cultural Revolution but nevertheless has apparently managed to survive.

Official Chinese sources claim that the 1967 harvest of winter wheat, barley, peas, beans and some other food crops was 10 percent better than in 1966,[4] and a similar improvement has been claimed in the production of oil-bearing rapeseed. When it comes to specific producing areas, however, mention is made only of those in which Mao's "three-way alliances" (composed of Maoist revolutionary rebels, the military, and rehabilitated party cadres) have allegedly "seized power."

It has been argued that the claim of a 10-percent gain in food crops is subject to considerable doubt, if only because in 1967 China contracted for the purchase of $100.8 million worth of Australian wheat, representing the highest level of Chinese wheat purchases from that country to date. (In the second half of 1967, the Australians were scheduled to deliver 1.5 million metric tons of that commodity.) By itself, however, this argument is not overly convincing since it now appears that a portion of the Australian deliveries was, in fact, intended for Egypt. In 1967 the Chinese shipped to Egypt a total of 150,000 tons of wheat (worth $10 million), one-third under regular contracts and the rest as a "solidarity gift"; and China also offered to supply wheat "unconditionally" to the Sudan.[5] Moreover, in view of the estimated 2-percent annual increase in China's population and assuming 200 million tons to have been the maximum conceivable pro-

[4] New China News Agency (Peking), July 7, 8, 12, and 31, 1967.

[5] *China Trade and Economic Newsletter* (London), July 1967, pp. 1-2, 3; August 1967, pp. 4, 6.

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duction of food grains in 1966, a 10-percent increase in 1967 would still require a substantial food imports to prevent a noticeable decline in living standards. If the actual production figure in 1966 was closer to the 175-80 million tons shown in Table 1, the rise in food imports is even more understandable. Indeed, the very ability of China to import large quantities of wheat from abroad tends to argue against an overstatement of the *immediate* adverse impact of the Cultural Revolution on agriculture. This is all the more so since hard-currency remittances from overseas Chinese have apparently been on the decline from their previously estimated annual rate of $100-150 million.

On the other hand, it is becoming increasingly clear that the second and third phases of the Cultural Revolution—the Red Guard phase and especially the Economic Warfare phase—have finally begun to tell, and they may be expected to exert a continuing adverse effect on agriculture unless promptly curbed. The evidence so far is scattered and circumstantial, but it clearly points in the direction of future disruption, with the everpresent possibility that weather problems may compound the effects of political instability. It is known, for example, that fewer water-control and soil-conservancy projects were initiated between September 1966 and April 1967 than over a comparable period in the preceding years. As 1967 progressed, there also were increasing signs of a breakdown in social discipline. Peasants were reported slaughtering large numbers of draught animals as well as pigs and poultry, and they also indulged in an apparently large-scale hacking down of trees, a traditional phenomenon in rural China during periods of administrative disorder. So serious was the latter situation that telephone conferences were held between administrative centers in the provinces in an effort to get the communes to engage in a massive reforestation drive.

Fluctuations in official policy have contributed to the confusion in rural areas. In the autumn of 1966, Red Guards were warned to keep away from the farms and not interfere with harvesting. In January 1967, however, calls went out to spread the revolution to the countryside, and then, in Feb-

TABLE 1

Estimated Crop Acreage and Output of Selected Crops

	1952	1957	1961	1965	1966
Acreage (million hectares)					
Farmland	109.9	111.8	106.7	109.0	
Sown Acreage	147.3	157.2	142.2	156.0	
Food Grain Crops	116.3	120.9	120.0	125.0	
Output (million metric tons)					
Total Food Grains	170.0	185.0	162.0	200.0	175-180
Rice	78.6	86.8	75.0	97.8	
Wheat	20.0	23.7	15.4	20.4	
Miscellaneous Grain	51.3	52.7	47.0	55.0	
Tubers	20.0	21.9	24.5	26.7	
Other Crops					
Soybeans	9.5	10.05	5.5	7.5	
Oilseeds	3.7	3.8	2.3	3.4	
Cotton	1.3	1.64	0.9	1.4	

SOURCES: Edwin F. Jones, "The Emerging Pattern of China's Economic Revolution," in Joint Economic Committee, United States Congress, *An Economic Profile of Mainland China* (Washington, DC, 1967) Vol. I, Table III, p. 94. Official data are used for 1957 and for oilseed, technical, and green manure crops in 1952. The estimate of overall 1966 food grain production was made by economic intelligence analysts in Hong Kong.

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ruary, this order was reversed and the revolutionary rebels and Red Guards were forbidden to interfere with spring sowing. In March, Premier Chou En-lai tried to convince the peasants, that, notwithstanding Maoist insistence on "politics first" in everything, top priority must be given to farm work, at least during daylight hours.

The peasants reacted in various ways to all these contradictory instructions. Some deserted the communes to travel about the country and "exchange revolutionary experience." Others began parceling out communal property among themselves, roughed up "good" and "bad" cadres alike, neglected tools and machinery, raided food stocks, failed to collect manure for the collective lands, sold livestock, seed and farm implements on the open market and divided the proceeds among themselves, and wrangled over land boundaries. These disturbances may have appeared worse than they actually were because of the publicity given to particularly blatant instances, but there can be no doubt that a general breakdown of labor discipline did take place. Moreover, passive resistance by peasants and workers may have been just as important as the open opposition, although it was the latter that attracted the most attention.[6]

This conclusion is supported by other evidence. In February 1967, People's Liberation Army troops were mobilized on a considerably larger scale than in previous years to take charge of and assist in spring planting, and they were still on the land in September. In addition, army units were ordered to assume control of all wheat stocks in the main ports, suggesting a history of looting. There also were reports of special measures taken to get the traveling peasants, as well as those who were said to be "lying down" on the farms, back to work on the land: cash advances against future deliveries of industrial crops were authorized and brought forward by as much as two months in a number of provinces. (Of course, in the confusion, it was not always clear whether these advances were ordered by genuine Maoist revolutionary rebels and "three-way alliances" which had "seized power," or by anti-Maoists and other proponents of "economism." In the latter event, the advances may merely have had the effect of making the peasants' trips more comfortable and extensive.)

At any rate, it was still necessary in June 1967 for the Maoist authorities to issue regular radio appeals and urgent injunctions to the peasants against the practice of taking off for a nearby town in order to "rebel and take part in violent struggle," as well as against hoarding and bribery. An interesting instance occurred at the Malu People's Commune in Chaiting *hsien*, where 900 participants in a production-brigade meeting adjourned to go to the county seat and "rebel" in the party municipal committee. The deputy brigade chief was quoted as telling the peasants that "it is more profitable to rebel in the municipal committee than to engage in production. Each person can get six big pieces of bread a day in addition to the opportunity for sightseeing."[7]

Although spring droughts were reported in Honan, Anhwei, Shantung and Shansi provinces, weather conditions in 1967 appear to have been generally favorable for agriculture, especially in such important wheat-producing areas as Hopei, Kweichow, Kiangsi, and Ninhsia. Moreover, up till September 1967, there had been no evidence of widespread or serious food shortages in China, although it is impossible to say anything definite about the food situation in the more inaccessible provinces. It does seem probable that there has been some area-to-area disruption in food distribution owing to the overloading of transport facilities by traveling Red Guards, revolutionary rebels and counter-rebels, workers, and peasants, as well as to temporary interruptions and dislocations of rail and other traffic, as described later.

Industry

The impact of the Cultural Revolution on Chinese Communist industry is equally difficult to measure statistically, and any attempt to do so must again rely largely on informed estimates. Table 2 presents figures for the production of selected industrial commodities, including chemical fertilizers, in China in 1952, 1957, 1958, 1961, 1965, and 1966. These years are the same as those selected for the previous table on agriculture, except that 1958 has been added because it shows the peak of the business cycle and because estimates for it are both more readily available and more reliable than for agricultural output. Except for the 1952 and

[6] Hsiao Ai, "Internal Struggle Hurts Peking's Economy," *Chinese Communist Affairs*, April 1967, pp. 12-13; Hans Granqvist, *The Red Guard: A Report on Mao's Revolution*, New York, Praeger, 1967, chapter 9.

[7] Hsiao Ai, *loc. cit.*, pp. 21-22.

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TABLE 2

Estimates of Production of Selected Industrial Items

	1952	1957	1958	1961	1965	1966
Crude steel (*million metric tons*)	1.4	5.4	8.0	12.0	11.0	12.2
Coal (*million metric tons*)	66.5	130.7	226.4	180.0	210.0	250.0
Crude oil (*million metric tons*)	0.4	1.5	2.3	4.5	8.0	10.0
Electric power (*billion kilowatt-hours*)	7.3	19.3	27.5	31.0	40.0	. . .
Cement (*million metric tons*)	2.9	6.9	9.3	6.0	9.0	11.8
Cotton cloth (*billion linear meters*)	3.8	5.0	5.7	3.0	3.9	5.9
Chemical fertilizers (*million metric tons*)	0.2	0.8	1.4	1.5	4.6	5.9
Paper (*million metric tons*)	0.5	1.2	1.6	1.0	1.5	2.0

SOURCES: *Ten Great Years* (Peking, 1960); Arthur G. Ashbrook, "Main Lines of Chinese Communist Economic Policy," in Joint Economic Committee, U. S. Congress, *An Economic Profile of Mainland China* (Washington, DC, 1967), Vol. I, p. 25; Robert Michael Field, "Chinese Communist Industrial Production," *ibid.*, Appendix C, Table 9 (Field's estimates have been accepted for the years 1958, 1961, 1965); Hong Kong estimates for 1966 reported in *The New York Times*, May 23, 1967, p. 6; Field's estimates for crude oil and paper production in 1966.

1957 data and some of those for 1958, the figures cited are admittedly estimates based on spotty Chinese reporting and extrapolation. Nevertheless they may be taken as approximations of the general order of magnitude.

The estimated figures for 1966 point to continued improvement in the overall industrial situation in the first full year of the Cultural Revolution. It must be borne in mind, however, that 1966 fell in what were earlier described as the "superstructural" phases of the upheaval, that is, the phases marked primarily by disturbances in the "cultural" and political spheres. These disturbances the Chinese economy seems to have weathered without too much difficulty, but it still remains to be seen what will be the impact of the third phase of the Cultural Revolution, which has extended down to the very economic base of Chinese society.

Paradoxically, the relative underdevelopment of the Chinese economy may also help to explain why the superstructural phases of the Cultural Revolution had no immediate impact on industrial performance in 1966. Underdeveloped economies (North Vietnam comes to mind as a particularly striking example) are seemingly capable of continuing to function in spite of political and administrative disruptions which would paralyze a more advanced economy. The explanation for this lies in the increasing integration that accompanies economic development. Merely a couple of generating switches pulled the wrong way can paralyze large sections of such a complex and integrated economic system as that, say, of the United States; yet even a natural disaster or a man-made political upheaval will not affect an underdeveloped economy as a whole with proportionate intensity because of the largely autonomous nature of the productive process in such an economy. This seems to be true of underdeveloped economies regardless of whether they are of the "planned" or "market" type, since the integrative effects of planning in the one case, and of the market in the other, are still modest in conditions of underdevelopment. As regards Communist China in particular, Peking's boasts of the successful integration of the country's economy "for the first time in modern history" seem grossly exaggerated. Moreover, since the Great Leap period, Chinese policy has stressed decentralization of economic management hand in hand with centralized political control. Consequently, when the latter broke down amidst the chaos caused by the Cultural Revolution, the regional economic units were apparently able to continue functioning independently, at least in the early stages. Even taking all these factors into account, the satisfactory performance of the Chinese economy in 1966 still remains something of a mystery. As pointed out below, however, the situation appears to have altered considerably

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since the extension of the Cultural Revolution directly to industry and the communes in December 1966/January 1967.

This drastic new move, which opened the third phase of the Cultural Revolution, hit Shanghai first. Work stoppages were reported throughout the city; the railways and port were paralyzed for several weeks; and local anti-Maoist managers and party officials handed out some $13 million of public funds to demonstrating workers up until January 7, 1967, when Maoist "revolutionary rebels" finally gained control of the banks.[8] The general interpretation of the Shanghai events, and of similar disturbances in other Chinese cities, is that when the Cultural Revolution passed from the stage of simply requiring the workers to take part in demonstrations against alleged opponents of Mao to the stage of telling them how to run their workshops according to Mao's ideas and how to finance the Cultural Revolution by their labor, the workers revolted. They reacted violently not only to the high-handed methods of the Red Guards but also to what they rightly considered to be a threat to their livelihood.

Matters got out of hand in other industrial centers as well. According to Peking's Maoist chief, Hsieh Fu-chih, industrial production in the capital declined by seven percent in April 1967 because of fighting and sabotage.[9] Wall posters also reported disturbances in the Taching and Karami oilfields, the coal-producing areas of Shansi and Shantung, and the oil-refining center of Lanchow. In July, the major industrial complex of Wuhan in central China became the scene of serious disturbances during which the district army commander, Chen Tsai-tao, detained two official emissaries (Hsieh Fu-chih and Wang Li) sent by Mao to hasten a local Maoist takeover. Although the emissaries were eventually released and the Maoist "seizure of power" ostensibly accomplished, the disturbances cast revealing light on the strength of the local anti-Maoist opposition and the apparent disaffection of segments of the army command. More important from an economic standpoint, they reportedly caused a temporary paralysis of traffic across the Yangtse River Bridge at Wuhan, a vital link in the main rail artery connecting North and South China. Disturbances were also reported in such widely scattered places as Kaifeng (the fertilizer-producing center), Harbin (Heilungkiang), Chengchow, and Canton, but their exact nature and extent remain unclear.

Meanwhile, the Peking regime continued to reveal virtually nothing in the way of statistical information regarding the overall state of the economy. Although there were occasional references to 1967 as the second year of the third Five-Year Plan, not even a general growth rate for industry was published. About the only figures reported in the press were piecemeal claims of production successes in specific localities currently controlled by Maoist administrations. For example, the Maoist authorities in Tsingtao reported a 22-percent increase in local industrial production in the first half of 1967 over the corresponding period of 1966, claiming a significant rise in the output of 58 major products.[10] (Shortly afterward, however, there was a change in the local political situation which may well have altered the economic picture.) Similar claims of local economic gains came from Harbin and Shanghai after the reported takeover of those cities by new Maoist administrations.

The fact that Communist China pushed ahead with its nuclear weapons development program during 1967 (testing a hydrogen bomb in June) suggests that at least the top-priority sectors of the economy connected with national defense escaped the brunt of the Cultural Revolution. It is significant in this connection that, despite the general anti-intellectualism of the campaign, point 12 of the CCP Central Committee's decision of August 8, 1966, on the Cultural Revolution explicitly exempted scientists, technicians, and others engaged in work of national importance from being made the objects of mass "struggle."[11] Nevertheless, even if spared from Red Guard attacks, these favored personnel have no doubt been required to devote considerable time to participating in public demonstrations and "Mao-think" sessions, which can hardly have contributed to their efficiency. It should also be noted that Sinkiang province, the nervecenter of China's nuclear industry, was for a time in 1967 the scene of incidents bordering on open anti-Maoist rebellion, reportedly involving the regional military commander, Wang En-mao. Although the situation had apparently simmered down to a state of uneasy coexistence between Wang and

[8] New China News Agency (Shanghai), Jan. 20, 1967.
[9] The Economist Intelligence Unit, *Quarterly Economic Review: China, North Korea, Hong Kong* (London), July 1967, p. 6. (Hereafter *QER*)
[10] *Jen-min Jih-pao* (Peking), July 3, 1967, p. 4.
[11] *Decision of the Central Committee of the Chinese Communist Party Concerning the Great Proletarian Cultural Revolution*, Peking, Foreign Languages Press, 1966, p. 11.

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the Maoists by the fall of 1967, the earlier disturbances and the loosening of governmental controls reportedly prompted the exodus of thousands of workers previously sent to Sinkiang from eastern China.

Turning to another vital sector of the economy, there can be little doubt that the travel mania which gripped hundreds of thousands of Red Guards, "revolutionary rebels," workers, and peasants during 1966-67, ostensibly for the purpose of exchanging "revolutionary experience," seriously impeded the functioning of China's transportation system. After December 1966, a good part of this "cultural" tourism appears to have been actually encouraged and financed by anti-Mao forces. The disruption to which it gave rise was attested to by an urgent order of the Szechwan Provincial Production Committee issued on March 8, 1967, which instructed the provincial communications and transportation departments to take stock of all vehicles under their jurisdiction and see to it that vehicles which had been "borrowed" to transport revolutionaries were returned immediately to their districts of registration (preferably loaded) and were repaired at the expense of the local units to which they belonged. Drivers and mechanics were ordered to return to work at once, and local vehicle pools were directed to use their trucks to support agriculture.[12] There had already been reports, during the winter of 1966-67, of numerous delays in the movement of raw materials to factories, of finished products to users, and of export goods to ports of embarkation. Other reports told of army units being called in to clear piled-up stocks of goods from railroad yards and quais, and of bottlenecks which developed on rail lines in Shansi, Kwangtung, Shantung, Kweichow, and Yunnan provinces. On June 1, 1967, the Central Committee issued a call for the restoration of order on the railways following a series of strikes, acts of sabotage, and armed clashes between rival factions.[13]

Foreign Trade

Because of the possibility of obtaining data on China's exports and imports from her trading partners, the effects of the Cultural Revolution on foreign trade are more easily measurable than its effects on domestic industrial and agricultural output. But important as foreign trade is for China's development, it must be remembered that it does not encompass a very significant component of the country's total domestic product.

The general conclusion to be drawn from the evidence is that the Cultural Revolution had no noticeably adverse effect on China's foreign commerce in 1966, but that the beginnings of a slowdown in trade expansion were becoming detectable in the first half of 1967. This is illustrated by the figures given in Table 3, which shows the percentage changes in China's exports and imports in 1965, 1966, and 1967, based on monthly trade averages.

Although the table shows that China's important export trade to Hong Kong expanded in early 1967 as compared with early 1966, more recent data indicate a significant falling-off in deliveries to the colony after April. The slowdown from April through June was not enough to keep Chinese exports to Hong Kong in the first half of 1967 from registering a gain over the same period of 1966, rising to $231.25 million as compared with $201 million in 1966; however, Chinese shipments to the colony in June 1967 amounted to only $21 million as compared with $40 million in March and $37 million in July 1966.[14] Admittedly, the situation was clouded by the Communist-instigated disturbances in Hong Kong in the summer of 1967, and it is difficult to assess to what extent the drop in Chinese exports to the British enclave was politically motivated and to what extent it resulted from internal economic dislocation. To some degree, however, the latter could have been a factor.

In spite of their internal troubles, the Chinese have continued through mid-1967 to make offers of aid to various developing countries. Food shipments to Egypt and offers of wheat to the Sudan have already been mentioned. In addition, "indefinite" development aid was offered to Iraq in July 1967, and a gift of $60 million to Jordan. The Chinese have also expressed an interest in financing and constructing the projected $300 million Zambia-Tanzania railroad (the survey for which was paid for earlier by Britain and Canada), but the status of the offer is still vague.

One further observation may be made with respect to China's recent foreign trade. There has

[12] *QER*, April 1967, p. 8.

[13] Colina MacDougall, "The Economic Cost," *Far Eastern Economic Review* (Hong Kong), July 27, 1967, p. 198; Alexandra Close, "Mob Rule," *ibid.*, June 22, 1967, p. 645.

[14] Report by T. D. Sorby, Hong Kong Director of Commerce and Industry, *New York Times*, Aug. 17, 1967, p. 15.

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been a notable absence, in 1966-67, of large Chinese purchases of capital equipment from abroad, such as characterized the years 1963 through 1965. This may reflect some disorganization of long-range economic planning in China as a result of the Cultural Revolution.

Economic Planning

So far our attention has been focussed mainly on the short-run economic repercussions of the Cultural Revolution. There can be little doubt, however, that the paroxysm China has experienced in the last two years will continue to affect the economy over an extended period, and the longer-term consequences are likely to be of considerable significance for China's drive toward modernization.

By September 1967, it was becoming increasingly clear that the Chinese Communist Party apparatus as it existed at the outset of the Cultural Revolution had been seriously weakened, if not shattered. There was also much circumstantial evidence to suggest that the economic planning apparatus had ceased functioning. Many high officials in charge of economic affairs had come under public attack:

TABLE 3

Trends in Communist China's Trade with Selected Countries

Trading Partner	1965	1966	1967
		(percentage change from previous year, based on monthly trade averages)	
Chinese Imports			
Japan (January-April)	+83	+50	−30
West Germany (January-April)	+235	+150	+83
United Kingdom (January-May)	+21	+74	+32
France (January-April)	+26	+118	−16
Italy (January-April)	+128	+123	+84
Other West European (Switzerland, Netherlands, Belgium, Sweden; first 3-5 months of year)	+75	+142	+9
Aggregate of the above	+77	+81	+9
Chinese Exports			
Japan (January-April)	+67	+64	−4
West Germany (January-April)	+58	+31	−1
United Kingdom (January-May)	+11	+49	−9
France (January-April)	+45	+47	−16
Italy (January-April)	+40	+41	+18
Other West European (same as above)	+19	+23	+12
Aggregate of the above	+44	+48	−2
Hong Kong (January-April)	+36	+4	+22
Total including Hong Kong	+41	+28	+7

SOURCE: The Economist Intelligence Unit, *Quarterly Economic Review: China, North Korea, Hong Kong,* (London), July 1967, p. 7. The percentage changes in the 1965 column relate mainly to the first halves of 1964 and 1965.

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Li Hsien-nien, the Minister of Finance; Li Fu-chun, Chairman of the State Planning Commission; Liao Lu-yen, Minister of Agriculture; Tan Chen-lin, Director of the Office of Agriculture; Po Yi-po, Chairman of the State Economic Commission; Chen Yun, a high economic policymaker; Sun Yeh-fang, Director of the Economics Division of the Chinese Academy of Sciences; and Liu Ning-yi, a top trade-union official. Hundreds of lesser officials of the planning apparatus and the economic administration had likewise been purged or at the least discredited.

Economic planning obviously requires trained personnel and, above all, a degree of stability. Technical, scientific, and economic innovation is quite a different thing from the seizure of political power. Innovational revolutions demand sustained intellectual effort, and this in turn requires that those engaged in it be left in peace, that they be assured of an appropriate status in society, and that their work not be interrupted by constant calls to Maoist prayer. The Cultural Revolution has destroyed all three of these essential elements. If economic planning is still going on in Communist China, it is surely of the hand-to-mouth variety, with much time out for inspirational politics.

Even more ominous for the long-term development of China's economy is the general anti-intellectualism that has characterized the Cultural Revolution. According to *Pravda* (March 11, 1967), a poster on display in a Peking park proclaimed: "We do not need brains! Our heads are armed with the ideas of Mao Tse-tung!" Whether the poster was put up by Red Guards or by some sly Mao opponents, the slogan does succinctly sum up the anti-intellectual spirit of the current upheaval. In their zeal to eradicate all vestiges of the past, all suggestions of revisionism, and all signs of independent thought, the engineers of the Cultural Revolution have made a mockery of culture and set China back many years. The revolution has fostered indiscipline among students, humiliated teachers, simplified curricula to the point of absurdity, and led to book-burnings and the defacement of school property. Worst of all, it spawned millions of officially-sanctioned school dropouts and made the mindless mouthing of an aging idol's sayings a criterion of revolutionary virtue. "The Hung Weiping [Red Guards]," observed *Pravda* (February 21, 1967), "have mastered the lesson that the main enemy of Mao Tse-tung is he who tries to think." For a backward nation trying to become a modern industrial power, such anti-intellectualism can only prove self-defeating in the long run.

Some Tentative Conclusions

On the basis of the evidence available to date, it is possible to draw two sets of tentative conclusions with regard to the economic consequences of the Cultural Revolution. In the short run, the economy as a whole unquestionably showed an extraordinary ability to continue functioning without noticeable impairment, at least through the winter of 1966-67. In the first half of 1967, when the revolution was extended directly to economic activity at the farm and factory level, there were signs of a slowdown in expansion, but no real evidences of breakdown. In the first few months of the second half of 1967, these signs were multiplying, suggesting more than a slowdown in expansion and the possibility, if not the probability, of an actual recession unless prompt steps were taken to restore order, discipline and political stability.

The long-run perspective appears even gloomier. China's drive to catch up with the 20th century is in the process of being stymied by the anti-intellectualism of the Cultural Revolution, by its irreverence for the one thing China needs most—technical and scientific education, conducted in a climate which allows for doubt and experimentation. Although the attack on the intellectuals seems originally to have had the limited objective of uprooting resurgent Mandarinism and the traditional contempt of the educated Chinese for manual labor and for those engaged in it, the end result has been to undermine intellectual endeavor and promote the adulation of stupidity. China's intellectual birth-rate, her supply of new talent, is bound to be seriously affected, and this in turn will act as a brake on economic progress for years to come.

* * *

POSTSCRIPT

Since the preceding analysis was originally written last fall, developments in China have wrought no essential change in the picture. The Cultural Revolution has continued on its confused and fluctuating course with no end as yet in sight, although since last October there has been a noticeably increased effort on the part of the regime to curb the overzealousness of the Red Guards, to check feuding and squabbling among rival "revolutionary" groups, to get students back to school and workers back to their jobs. The resumption of regular class-

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room sessions with minimal academic content and under army supervision seems primarily intended to get the rampaging youngsters off the streets and keep them from disrupting farm and factory work. In places, the energies of the young people have been harnessed to essential tasks, such as loading and unloading on the waterfront. This has made for bitter disappointment among the more headstrong Red Guards, but it is the price the extremists have been forced to pay to keep the economy on an even keel.

With regard to agriculture, the official New China News Agency on November 16-17 scaled down its earlier claims of "unprecedented harvest gains" and described the 1967 harvest as merely "rather good," which in Communist parlance usually means moderate to poor. Still, total 1967 food-crop production, including grain and potatoes, may have reached an estimated 187 million metric tons, which would exceed the 1966 estimate but still fall short of the 1965 figure. Wheat imports, which totalled over 5.6 million tons in all of 1966, amounted to about 2.5 million tons (from Canada and Australia) in the first half of 1967.

Difficulties were apparently encountered in state procurements of food crops as a result of the relaxation of discipline in the countryside, the weakened authority of the party cadres, and the upsurge of "economism" among the peasants. On December 21, Peking Radio charged that "class enemies" were inciting the peasants "to retain farm crops instead of selling them to the state." Earlier, the army organ *Chieh-fang Chün Pao* (October 9) had complained of a resurgence of private-property inclinations among the peasants, warning that such tendencies were "having a corrosive and destructive effect on the new socialist base." These and similar statements suggest that, in spite of the dispatch of army units to the countryside, the Maoists have been less than successful in their efforts to combat the peasants' preoccupation with private plots, free markets, higher wages, more consumer goods, and a larger share of the harvest. At the same time, the peasants have apparently shown little interest in the political struggles organized by the Maoists in Peking and other cities against Liu Shao-ch'i, "China's Khrushchev." On September 16, *Jen-min Jih-pao* remonstrated against the peasants' lack of revolutionary fervor, complaining that when urged to criticize "China's Khrushchev" they pleaded illiteracy, leaving criticism to those able to read and write. According to the paper, their reaction was: "The Chinese Khrushchev is far from us, and his poison does not reach our little riverside hidden in the mountains. Why waste so much energy on criticizing him?" [15]

In the area of trade, Chinese exports to Hong Kong, after the earlier-mentioned abrupt decline of

[15] Quoted in L. D. Tretiak, "Feeding Revolution," *Far Eastern Economic Review*, Oct. 26, 1967, p. 169.

"Economism" . . . and the Economy

Economism has all along been a reactionary tool with which to sabotage the proletarian revolutionary cause. Its special feature is to substitute economic struggle for political struggle, to corrupt the revolutionary will of the masses, to lead the struggle of the masses onto the evil road of economism so as to make them chase after nothing but personal and immediate interests and forget the class and long-term ones. To promote economism in the course of the workers' movement is a trick resorted to by bourgeois agents and scabs—opportunists of all shades and colors—in order to sabotage the workers' revolutionary movement and sell out the cause of the proletarian revolution.

***Jen-min Jih-pao* (Peking), Sept. 14, 1967.**

The small handful of powerholders in the party who take the capitalist road . . . are sabotaging . . . the great proletarian cultural revolution and the dictatorship of the proletariat. . . . They deliberately sabotage the financial and tax policies of the state, squander state funds as they please, and freely increase wages and benefits for workers. They sabotage market supplies, privately apportion state commodities, and even sabotage foreign trade. . . . One of their greatest plots . . . is to instigate workers, under the pretext of "opposing the bourgeois reactionary line," to oppose "unreasonable systems," and so to . . . upset social order, hamper industrial and agricultural production . . . and affect the national economy so as to attain their criminal objective . . . .

***Wen-hui Pao* (Shanghai), Jan. 30, 1967.**

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last summer, registered a spectacular recovery in October, rising 266 percent over the September figure, on a value basis. In spite of this recovery, however, total Chinese exports to the colony for 1967 are likely to be below the 1966 level of 484.61 million dollars. China's overall balance of trade in 1967 shows a considerable excess of imports over exports, a situation which, if allowed to continue, will result in a serious drain on the country's foreign-exchange reserves. The British devaluation of the pound will help a little through its impact on receipts from Hong Kong, which will have to pay some $500 million a year more for its imports of food and other commodities from China, but this only eases the situation temporarily without solving China's problem. It is this concern which may have prompted Peking to try and patch up some of its worst quarrels with other foreign customers and suppliers. China's off-again (September), on-again (November) orders for urea and ammonium sulphate from Japan probably reflected domestic storage and distribution problems arising from the dislocations caused by the Cultural Revolution. By cancelling the orders in September and picking them up again in November for delivery in late winter, Peking saved itself the bother of winter storage at its troubled North China ports while scoring some points with Japanese "friendly firms."

All this, as well as the unusual attention given by the Chinese press to transportation and fuel problems, suggests trouble spots, potential dangers, and the need to curb economic fanaticism, but it does not invalidate the general conclusion reached earlier, that there is as yet no convincing evidence of imminent and wholesale economic crisis. The possibility that such a crisis may eventually develop still exists, of course; whether or not it materializes will depend on how successful the forces of moderation prove to be in keeping the Cultural Revolution from impinging any farther than it already has on the economic base of Chinese society.

The formation of "revolutionary committees" at the provincial, municipal, and county levels is no longer being described in the Chinese press as the result of outright Maoist "power seizures." On the contrary, the new administrations that have been formed since last October appear to be the product of compromise settlements or so-called "three-way alliances" joining Maoist revolutionaries, former party apparatchiks, and army representatives. Thus, some old party hands who somehow managed to weather the spring and summer storms are back in office in these makeshift formations.

Parallel with this outward suffusion of the political struggle, the regime claims that economic dislocation has been localized "in certain areas and certain departments," to use Chou En-lai's phrase. "As soon as disorder is turned into order," said Chou, "production can quickly pick up and rise." [16] This is a very big condition, however, for the forces of disorder unleased by Mao's cultural revival are not easily contained. For the time being, the Great Proletarian Cultural Revolution still appears to be the political agent of another recession in China's socialist economy, perhaps mild by the standards of the Great Leap debacle, yet with serious long-range repercussions on China's progress toward modernization.

[16] Speech at Wuhan on Oct. 9, 1967, quoted in *Far Eastern Economic Review*, Oct. 19, 1967, p. 125.

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Social Stratification

By Victor C. Funnell

Much has been said and written, in China and outside it, about the "Great Proletarian Cultural Revolution." It is not the purpose of this article to describe it in detail, but simply to examine one of the underlying reasons that may have prompted it: Mao Tse-tung's extreme hostility to China's patently un-Marxist social stratification. It is indeed true that, since 1949, China's economic and educational systems have produced wide disparities in personal income and social standing that are hardly in accord with the egalitarian tenets of Marxism. Therefore, like the Great Leap Forward and the communes in 1958, the present Cultural Revolution may be seeking to break down existing economic and social distinctions in order to forestall the kind of *embourgeoisement* that, in the view of Mao and his associates, is taking hold in the Soviet Union and Eastern Europe.

In the broadest sense, then, the Cultural Revolution is not cultural at all, but social and economic. Viewed in this light, the developments of the past two years are a continuation, intensified and accelerated in form, of policies begun at the 10th CC Plenum in September 1962, when the party admitted to contradictions within its ranks and called for a continuing class struggle under the dictatorship of the proletariat. Many of those now accused of numberless crimes are party veterans who have supposedly failed to respond to the Maoist vision. And these vipers, as the Maoists keep emphasizing, still inhabit the nest. "Some of them we have already seen through, others we have not. Some are still trusted by us and are being trained as our successors, persons—like Khrushchev, for example—who are still nestling beside us." [1] For this reason, the present Cultural Revolution is intended to be only the first of its kind:

> **There will inevitably be many more in the future; . . . it should not be thought by any party member or any one of the people in our country that everything will be all right after one or two Cultural Revolutions, or even three or four; . . . we must be very much on the alert and never lose vigilance.**[2]

Semi-permanent policies of this nature imply not a localized conflict, but a fundamental intraparty divergence as to what direction Chinese society should take. This, indeed, was suggested by Mao himself in May 1963, when he said that unless something was done "it would not take long, perhaps *only several years* or a decade, or several

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[1] Circular of the Central Committee of the Chinese Communist Party (May 16, 1966) in *Peking Review*, May 19, 1967, p. 9.

[2] *Chieh-fang Chün Pao* editorial, May 20, 1967, in *Peking Review*, May 26, 1967, p. 47.

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decades at most, before a counterrevolutionary restoration on a national scale inevitably occurred; the Marxist-Leninist party would undoubtedly become a revisionist party or a fascist party, and the whole of China would change its color." [3]

The Specter of Neo-capitalism

Thus, the present revolution in China addresses itself to averting counterrevolution, that is, a return to the bourgeois path. There can be no doubt that, over the years, the official ideology has not prevented the emergence a whole range of capitalist economic devices that have been institutionalized, paradoxically, by official approval and proclamation. It is thus apparent that socialism, or the socialist "stage" of society, does not inevitably lead to communism, but may in fact lead to "neo-capitalism," as it has in the Soviet Union and in the Eastern European Communist countries. China may be (in Mao's view, she certainly is) preparing to tread the same path.

Mao's real conflict, of course, is not with Russia nor with revisionism, but with human nature. None of the totalitarian Communist regimes has found it possible to implement total orthodoxy in practice. All have had to be content with as much orthodoxy as conditions in their particular country permit—or, more exactly, as the interests of production allow. Attempts to circumvent this snag, as in China in 1958, have led to failure and the necessity of a fresh start in a more realistic direction. Thus, we witness a mass of innovations in "fraternal" socialist countries which have discarded the dogmatic model. These may be exemplified by the private agriculture and private enterprise in Poland and Yugoslavia, the concessions to private agriculture in the Soviet Union, and the grudging exploitation of the profit motive as the guiding force in Soviet and East European industry. In China as well—not so very long ago—the atmosphere was conducive to a consideration of similar departures from the Stalinist tradition. For example, Sun Yeh-fang,[4] China's Liberman, was among others who proposed imaginative innovations, only to see them wither in the frosts of the Cultural Revolution.

[3] Mao Tse-tung, as quoted in *Peking Review*, July 17, 1964.

[4] Sun's Soviet-inspired economic theories were the cause of his dismissal, in mid-1966, as Director of the Economic Research Institute of the Academy of Sciences.

The present attempt to turn back the clock is unlikely to succeed in the long run, if only because the ineluctable logic of policies designed to strengthen and modernize China has brought her to the brink of the postrevolutionary phase. Logically, China should be entering upon an era of long-range economic planning in a framework of administrative stability; *pace* Mao Tse-tung, the frenetic mass camapign has had its day. It is precisely the Maoists' reluctance to recognize this situation that has led them to sponsor the Cultural Revolution. Moreover, Mao simply refuses to contemplate a postrevolutionary phase until the class struggle has been won, that is, until he can undo the stratification of society which has come about since 1949.

Incentives à la Russe

The seeds of the present social and economic situation were sown in the first years of the Chinese Communist regime, when for a variety of reasons the Soviet Union was adopted as the pattern for the reorganization of industry, agriculture and commerce. China's industrial priorities, income policy, incentives, and wage system all derive from the Soviet model, and all were part of the Russian recipe for development that was enshrined in the first Chinese Five-Year Plan (1953 to 1957). In the train of events since then, much of this heritage has been abandoned and repudiated along with Soviet aid. In company with a more cautious domestic policy, a new trading pattern has emerged that is guided by pragmatic self-interest and designed to avoid a too exclusive reliance on any one partner. Yet, while much has changed, much has remained the same. It is, perhaps, the Stalinist model that has been overthrown, rather than the whole of Russian experience. The Leninist precedent of postponing the demise of the state in order to exploit the trappings of its bureaucracy, the skills of its specialists, and the springs of individual action, has indeed been taken very much to heart. The principle of incentives, and the consequent need to differentiate between individuals and industries—and even between different parts of the same industry—has not only not been dropped or revised, but has positively flowered in China, particularly over the last half-dozen years. Here, indeed, may lie the basis of the fear that China may return to the bourgeois path, and that "revisionism" may prove fatal to the maintenance of revolutionary élan.

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The tenet of socialism, "to each according to his work," is in essence a simple statement of the incentive mechanism which has been applied universally throughout the Communist world, including China. This is the inducement to greater effort through greater reward, usually monetary, although political dividends and considerations of personal prestige also play their roles. To function efficiently, however, an incentive system based on monetary reward requires a clearly defined degree of differentiation between individuals. It is a mistake to assume—if any still make the assumption—that a Communist society is a classless society.

The Industrial Wage System

The criteria of differential remuneration have been important and decisive, involving distinctions of skill, seniority, and the nature of the work performed (*i.e.*, how hard as well as how important it is). In Communist China, varying degrees of effort, skill, and experience have been remunerated under an eight-grade wage system which dates from the early years of the regime. Under this system, wage differentials between one grade and another can be quite high. In 1964, for example, the highest-paid (grade 8) worker in the Peking steam-turbine plant was reported to be earning 127 yuan a month. At the same time, the highest-paid (grade 7) worker in the Wusih rubber factory was getting only 68 yuan a month.[5] Yet this disparity of nearly 100 percent cannot be accounted for solely by a difference of one grade; it also clearly reflects other factors, such as working conditions, priorities, and possibly locality.

The original system was confirmed and made even more elaborate by the definitive wage reform of 1956. This reform reclassified industrial wage levels by listing industries in a descending order of pay scales, beginning with oil and timber in the first and second places, followed by coal, electricity, chemicals, machine tools, and so on down the line to matches and tobacco. Reclassification also took place with respect to different units of the same industry on the basis of their strategic importance in the national economy, their types and methods of production, and existing general wage levels. In 1956, the official ratio between the earnings of the highest and lowest-paid workers throughout industry was increased from 2.87 to 3.2 to one. (These ratios were already in evidence in the paper and oil industries during 1955. In the paper industry, a wage-span of 2.7 to one meant the difference between 27 yuan and 73 yuan a month; in the oil industry, a wage-span of 3.2 to one meant the difference between 32 yuan and 102 yuan a month.[6]) Altogether, according to the (then) Minister of Labor, Ma Wen-jui, the average level of wages for workers in grade 1 rose by 8 percent. The average level of wages for workers in grade 8, on the other hand, rose by 18 percent. Intellectuals, particularly in the professorial or equivalent strata, came in for a still greater windfall of about 30 percent. Since a higher proportion of the higher wage grades naturally tends to be found in those industries requiring extra skill and harder labor, it is not surprising that the rise in average wages in 1956 was greater in heavy industry (15.6 percent) than in light industry (12 percent).[7]

Differentials apply not only to categories of industry or units of the same industry; they also extend to an individual's "status." The "workers" themselves are not the sole constituent of the industrial work force, which also includes apprentices, technicians, and engineers. In each category the same considerations of differentiation apply, as illustrated in Chart 1, which gives the standard salaries of industrial and agricultural technicians as fixed in August 1955 by order of the State Council.

Provision is made here for distinctions between five broad categories of industry and between several levels of individual attainment within those industries. The size of the technical elite has been increasing in proportion to the total work force. According to the communique of the National People's Congress in 1963, there was then a 70-percent increase in the number of technicians over 1957. This would indicate a total of approximately 850,000 technical personnel, or a proportion of one technician to every twelve industrial workers.

The State Bureaucracy

Technicians have the status of civil servants and are usually referred to as "employees" in the service of the central ministries or their subordinate

[5] *The Times* (London), March 3, 1964, p. 19.

[6] L. Lavallée, *Economie de la Chine socialiste*, Genève, 1957, p. 416.

[7] Ma Wen-jui's report, as translated in *Current Background* (Survey of China Mainland Press), No. 405 (July 26, 1956).

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branches. But the incentive policy for members of the bureaucracy is broadly the same as that for workers. The introduction, in August 1955, of a graded wage system based on a unified scale of differentials was, in fact, attuned to the requirements of a state bureaucracy wedded to an ambitious program of industrialization. Even Mao has his appropriate wage grade, as do other government leaders. Thirty grades range from the head of state down to the humblest local employee. This graduated scale applies to People's Congresses, offices of the State Council, provincial, municipal, urban, *hsien* and ward offices of the administration, and all levels of the People's Courts. (It is

CHART 1

Standard Salaries of Industrial and Agricultural Technicians *

August 1955 (*yuan* per month)

Grade	Category					Industrial Technicians	Agricultural Technicians
	1	2	3	4	5		
Special							
1	210	208	206	204	202		
2	192	190	188	186	184	Engineers	Agricultural
3	168	166	164	162	160	Grade I	Technicians
4	152	150	148	146	144	Grade II	Grade I
5	134	132	130	129	128	Grade III	Grade II
6	120	118	116	115	114	Grade IV	Grade III
7	104	103	102	101	100		Grade IV
8	92	91	90	89	88		
1	83	82	81	80	79		
2	74	73	72	71	70		
3	65	65	64	64	64	Technicians	Technicians
4	58	58	58	58	58		
5	52	52	52	52	52		
1	46	46	46	46	46		
2	40	40	40	40	40	Assistant	Assistant
3	35	35	35	35	35	Technicians	Technicians
4	30	30	30	30	30		
1	25	25	25	25	25	Apprentices	Apprentices
2	22	22	22	22	22		

Notes

(a) This table shows standard salaries. Wherever applicable, cost-of-living allowances should be added.
(b) The table shows five different categories of technicians in different industries:
1. Steel, coal, color metals, geology, smelting, aviation.
2. Electricity, oil refining, machinery, heavy chemicals, timber.
3. Building, railways, telecommunication, roads, water conservancy, meteorology.
4. Textiles, leather, paper, printing, fats, rubber, agriculture (fishery, animal husbandry, veterinary, forestry).
5. Flour, matches, tobacco, food, and other light industries.

(c) The salary grading of all techniians is determined by the nature of the industry. If this is difficult to determine the department itself should decide.
(d) The table shows the salaries of technicians in industry and agriculture. The grading of similar technicians can be similarly applied.
(e) If there is a grade of "Master Technician" in industry, the grading can be either that of Engineer or Technician.
(f) The name of the job is here preceded by the grade. The grade is not part of the name or title.

* A copy of the original Chinese table, including the accompanying notes, was made available to the author by the Union Research Institute, Hong Kong, through the courtesy of Miss Donnithorne, University College, London.

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interesting to note that the salaries of the security police are comparatively low, ranging from 26 to 62 yuan a month, depending on "qualifications.")

In 1955, civil service salaries were clearly demarcated, and the gap between those at the top and their lowest underlings was very wide, amounting to a thirtyfold difference in salary. The ladder stretching above an ambitious office boy was tall indeed. According to Ma Wen-Jui, the 1956 reform raised state salaries by an average of 10 percent, but the ratio between top and bottom evidently decreased to 28 to 1, and by 1958 to 20 to 1.[8] This appears to have been confirmed by a report in the Japanese press in September 1963, which said that the salary of Mao, Chou, and others had been reduced to 400 yuan.[9] Even this would still be three or four times greater than the earnings of a top-grade worker, twice an engineer's salary, and perhaps 20 percent higher than the income of a professor at Peking University.

The principle of differential wages also applies on a regional basis. Certain areas or cities, notably Shanghai and the industrial northeast, have traditionally led the rest of the field. Among the poorer regions, the south-central region has traditionally paid higher wages than the more underdeveloped northwest and southwest. Where applicable, local cost-of-living allowances and inducement or "hardship" payments have generally been in effect, and so-called "frontier allowances" have been paid in the more remote provinces (in 1955, for example, in Urumchi, the allowance was 15 percent of the regular wage).[10] Although information about regional differentiation is scanty, the general principle was outlined in the journal *Lao-tung* in 1960:

Regarding the current regional wage relationships, apart from the fact that the state has provided a special temporary allowance for workers in those backward, sparsely-populated, remote regions such as Tibet, Sinkiang, and the Tsaidam Basin in Tsinghai province, adequate differences in wages have also been prescribed for workers in ordinary regions.[11]

These differences may well follow the pattern laid down for state employees by the State Council in 1955. Under this system, the country is divided into eleven wage regions. Thus, there are eleven different variations of the thirty wage-grades of civil servants. The differential between each regional scale is about 3 percent, making a disparity of 30 percent between the highest and the lowest scales.[12] There has been scant information in the Chinese press as to how the scales are determined or where the eleven regions are. The first or highest scale is reported to be in force at Hai-k'ou on Hainan Island, the second in Canton and Shanghai, and the third in Peking and Tientsin. Some industrial areas, such as Changsha and other places in Hunan Province, are also on the third scale. Five different scales (the 4th, 5th, 6th, 7th, and 11th) are said to be in use in various places in Inner Mongolia.[13] It would, therefore, appear that the higher scales are generally applied to areas of defense and industrial priority, or where living costs are held to justify it.

Agricultural Incentives

Nowhere is the principle of "to each according to his work" better illustrated than in the agricultural sphere. Here the basic incentive mechanism lies in the direct relationship between income and production. The twin pillars on which it rests are the so-called work-point and the private plot. Once again, the system was patterned on the Soviet model. In setting up the cooperatives, the labor-day was introduced as the average work norm, or the equivalent of 10 work-points. The value of a work-point is determined annually and may fluctuate from year to year, since it is based on the collective income after the normal deductions for agricultural tax, welfare and investment funds, and running costs have been made. Special levies, such as contributions to support the "people's war" in Vietnam, may also serve to reduce the total income remaining in the hands of the production team. But fortunately for the peasant, the private plot enables him to preserve a measure of independence.

From the beginning, the cooperatives have recognized the importance of the private plot and subsidiary activities as stimuli to production. Only during the comparatively short-lived experiment

[8] Liu Tzu-chiu, "Wage Relations and Wage Differences," *Lao-tung* (Labor), No. 2 (January 18, 1960), pp. 1-4 in *Translations on International Communist Developments*, Joint Publications Research Service, No. 5155 (August 5, 1960), p. 4.

[9] This information was given to a visiting party of Japanese journalists in Peking.

[10] C. Y. Cheng, *Income and Standard of Living in Mainland China*, Union Research Service, Hongkong, 1957, Vol. I, p. 122.

[11] Liu Tzu-chiu, *op cit.*, p. 4.

[12] *Ibid.*

[13] See Union Research Service (Hongkong), Vol. 33, No. 10, p. 167.

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of the communes in their purest form in the latter half of 1958 and early 1959 were the work-point and the private plot in eclipse. The communal substitute of wage-grades on the industrial pattern and a preponderance of payments in kind over monetary rewards were soon found to be unworkable. Post-commune developments have once again restored a wide range of material incentives, including a degree of private ownership, private cultivation, and the private sale of farm and handicraft products at local markets. In spite of the accusations hurled at the Soviet Union, China's agricultural system is not so very different from the Soviet after all.

Mao is currently charging his opponents with wishing to extend the system of private plots and rural markets. These institutions, quite apart from being ideologically improper, have tended to encourage and perpetuate the stratification of the rural population. The rich and upper-middle peasants gain at the expense of the lower-middle and poor peasants. This can be illustrated by two sample surveys conducted by the Communists at the beginning and end of the cooperative campaign, in 1954 and 1957.[14] Both provide data on the basis of class strata. While the surveys preserve the original land-reform classification into former landlords, rich peasants, upper-middle peasants, and lower-middle and poor peasants, successive organizational changes in the countryside have caused these categories to dance a kind of minuet, with first one and then the other taking the lead in terms of income.

The 1954 survey showed that, after the completion of land reform, the gross earnings of the former landlord had dropped to a level below that of the poor peasant, with rich peasants earning almost twice as much as former landlords. The former landlord received a gross income of 226 yuan, the poor peasant 244 yuan, and the rich peasant 432 yuan. In terms of gross earnings per capita, however, the former landlord maintained a slight lead over the poor peasant, with the latter receiving 116 yuan, the former landlord 118 yuan, and the rich peasant 209 yuan (see Chart No. 2). The explanation for this discrepancy should be sought in the varying structure of rural households. The same survey revealed that while there was an average total of 4.2 persons in both the poor peasant and former landlord households, and 6.2 in rich peasant households, the average number of working members per household in the three categories was 2, 2.2, and 3, respectively.

The collectivization that followed the land reform reduced the earnings of the rich peasant in

[14] Published in *T'ung-chi Kung-tso* (Statistical Work), May 29, 1957. and August 23, 1958, respectively.

CHART 2

Earnings of Peasant Households by Social Stratum *

Stratum	1954 [1]		1956 [2]		1957 [2]	
	Gross earnings (*yuan*)	Index	Net earnings (*yuan*)	Index	Net earnings (*yuan*)	Index
Poor peasant	116.4	1.000	61.3	1.000	60.2	1.000
Lower-middle peasant	154.8	1.330	67.6	1.103	69.9	1.161
Upper-middle peasant			77.2	1.259	79.0	1.312
Rich peasant	209.2	1.797	55.3	.902	58.7	.975
Former landlord	118.4	1.017	59.0	.962	66.2	1.100

* Figures for 1954 show average per capita earnings of 16,000 peasant households classified by stratum; figures for 1956 and 1957 provide the same data for 4,321 cooperative households. Derived from the excellent unpublished thesis by P. Schran, "The Structure of Income in Communist China," University of California, Berkeley, 1961, p. 204.

[1] See *T'ung-chi Kung-tso* (Statistical Work), May 29, 1957, pp. 31-32.
[2] See *T'ung-chi Kung-tso*, August 23, 1958, pp. 11-12.

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the same way that the land reform had reduced those of the former landlord, to below the level of the "poor peasant." By 1956 (according to a sub-sample taken during the 1957 survey), the average net income per capita of former rich peasants was 55 yuan, 4 yuan less than that of former landlords. Poor peasants received 61 yuan per capita, while the upper-middle peasants were highest with 77 yuan. In 1957, however, this trend was halted. That year the survey showed that the other strata improved their positions relative to the poor peasant, while at the same time the differentials between the former narrowed. The average per capita earnings of poor peasants in 1957 declined marginally to 60 yuan, while those of former rich peasants rose to 59 yuan, of former landlords to 66 yuan, and of upper-middle peasants to 79 yuan. The differential between the poor peasant and the highest-earning upper-middle peasant had thus increased. This interesting development may well have been due to the encouragement given in 1957 to the development of private cultivation in the interests of increased production. Since, at that fairly late stage, the organizational changes in the countryside had effectively ended traditional class differentials, it may fairly be assumed that continuing peasant stratification depended mainly on skill or experience, and to some extent on household structure as well. While such differences could be controlled somewhat within the cooperative framework, the survey shows that revival of the private sphere served to heighten them.

A Return to the Communes?

This economic stratification may largely explain the "social necessity" for the communes in 1958, and the hostility now displayed by the Maoists toward those accused of revisionism, of having opposed the communes, and of rejoicing in their partial dismantling. It was this "social necessity" that, in Mao's view, many critics of the communes had been unwilling to admit. For instance, in 1959, the criticisms of Marshal P'eng Teh-huai and others centered on the *economic* impracticability of communization, whereas Mao saw it as a *socio-political* imperative. The problem of stratification was to be solved by the creation of a peasant proletariat. The splintering of the household, communal feeding, a graded wage system, and equal payments in kind, regardless of the number of dependents, were all steps in this direction.

While information on the effects of the communes on income differentials is limited, suffice it to say that the great reversal of policy after 1960 can only have increased them. The decline in the proportion of payments in kind, the adoption of piece-rates, and the restoration of private plots have recreated the very conditions that the communes were designed to suppress. Renewed official distinctions between social strata, the increased emphasis—since 1962—on class struggle, and the more recent setting-up of associations of poor and lower-middle peasants to function in the general capacity of watchdogs all imply that there are now marked differences in earnings among the peasantry. The "Cultural Revolution" has once again made the communes and the possibility of a new "leap forward" in the countryside a topical issue.

It can certainly not be claimed that social stratification is the mainspring of the turbulent events in China since 1965. The attacks on party leaders, the formation of the Red Guards, and the worsening of relations with the Soviet Union and other countries involve a whole range of issues, both foreign and domestic. Yet, if Mao fears that the party has lost contact with the masses, that it has lost control over the social concomitants of economic development, and that the application of formulas first formulated nearly thirty years ago to a shifting social base is becoming increasingly difficult, then the question of social stratification must stand somewhere near the center of the storm sweeping China.

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Mao and Stalin's Mantle

By David E. Powell

The Great Proletarian Cultural Revolution has been hailed by its adherents as a unique and glorious achievement. It has been called "the most profound class struggle history has ever witnessed," [1] and likened to "a roaring, swift current that has swept across thousands of miles . . .; judging from its extensive scale and great power, the broad masses it has mobilized, and its profundity, it is unparalleled in history." [2]

To be sure, the events in China have been extraordinary: aside from the phenomena of armed clashes, riots, economic disruption, and widespread dismissals of party and government officials, the current scene has witnessed the unusual situation of a sustained attack on one of China's major political figures, Liu Shao-ch'i, who has nonetheless escaped removal from office. Yet whatever its unique aspects, the Cultural Revolution also has features that are reminiscent of Stalinism. Those responsible for organizing the Cultural Revolution—whether under Mao's direction, with his acquiescence, or simply in his name—have used techniques and rhetoric that hark back to Stalinist paranoia at its most extreme. In particular, they have resuscitated Stalin's thesis that as communism draws nearer, the class struggle intensifies—along with the corollary theses that the state must therefore become stronger, that the tactics of class enemies will grow increasingly cunning and dangerous, and that domestic enemies will conspire with international reaction to subvert the new order. While the argument today is not phrased in precisely the terms that Stalin employed, the fact remains that Chinese propaganda has increasingly echoed the rhetoric of the Great Purge. The Cultural Revolution, like Stalin's purges, is the class struggle writ large. The paranoia, the xenophobia, the bizarre accusations, and the constant emphasis on vigilance and struggle are cut from the same cloth.

Thus the Cultural Revolution can be better understood if seen in historical perspective. At the same time, an examination of Soviet and Chinese treatment of the doctrine of postrevolutionary class struggle is not simply an exercise in intellectual history; it has predictive value as well. The use of certain key phrases and formulas has always foreshadowed and then accompanied political purge. From the Soviet and Chinese conceptions of domestic class struggle, we can learn a great

[1] *Hung Ch'i*, No. 15, 1966, in *Peking Review*, Dec. 23, 1966, p. 19.
[2] *Hung Ch'i*, No. 5, 1967, in *Joint Publications Research Service* (hereafter *JPRS*) (Washington, DC), No. 40739, April 24, 1967, p. 49.

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deal about official willingness to resort to force against opposition both within the party and among the population at large.

From Marx to Stalin

Marx explored the question of class relations during the period of the dictatorship of the proletariat in a most cursory manner. Lenin confined his observations on this subject to demonstrating the need for vigorous suppression of the former ruling classes. There is a need, he wrote, for a violent stage of proletarian dictatorship, "a period of unusually violent class struggles in their sharpest possible forms. . . ." [3] Both Marx and Lenin promised that once the expropriators had been expropriated and rendered impotent, an era of class harmony would begin and the need for a coercive state apparatus would disappear. Lenin did, however, suggest the possibility that class struggle might become more intense after the revolution. A year after the Bolshevik coup, he wrote:

The transition from capitalism to communism takes an entire historical epoch. Until this epoch is over, the exploiters inevitably cherish the hope of restoration, and this *hope* turns into *attempts* at restoration. After their first serious defeat, the overthrown exploiters . . . throw themselves with energy grown tenfold, with furious passion and hatred grown a hundredfold, into the battle for the recovery of the "paradise" of which they were deprived. . . .[4]

Six months later, in a letter to Bela Kun's Hungarian Communist regime, Lenin argued that the class struggle "*does not disappear* . . . but merely changes its forms and in many respects becomes fiercer." [5] Still, his remarks were isolated, almost offhand observations; they were never intended as broad-gauge theory. It was Stalin who seized upon the notion of a postrevolutionary intensification of the class struggle, transforming it into an essential component of Bolshevik ideology.

As early as 1929, in attacking an alleged rightist deviation in the party, Stalin claimed that reactionary forces were stepping up their struggle against socialism. The forces of socialism, he maintained, were growing faster than those of capitalism, and the capitalist elements, realizing they were in mortal danger, were increasing their resistance. They "feel that their last days are approaching and are compelled to resist with all the forces and all the means in their power." [6]

Subsequently Stalin went on to assert that under these circumstances, Engels' famous promise that the state would wither away had to be reinterpreted "dialectically,"—*i.e.*, in such a way as to postpone its fulfillment indefinitely. In 1930 he announced to the 16th Party Congress:

We stand for the withering away of the state. At the same time we stand for the strengthening of the dictatorship of the proletariat, which is the mightiest and strongest state power that has ever existed. The highest development of state power with the object of preparing the conditions *for* the withering away of state power—such is the Marxist formula. Is this "contradictory"? Yes, it is "contradictory." But this contradiction is bound up with life, and it fully reflects Marx's dialectics.[7]

Stalin had said in 1929 that the party's very successes would impel the class enemy to intensify its anti-Soviet activities. In order to cope with this increasing challenge, he now argued, the regime would have to augment its own power. Presumably, enhanced state power would lead to greater victories over the enemy—who would then intensify subversive activities and compel a further strengthening of the state's coercive power.

Lenin had argued that the great strength of the expropriated classes—even after the Revolution—required stern measures of repression. Stalin, however, saw an even greater danger in a capitalist class which had sustained staggering blows, and whose last remnants were defeated and dispersed. Their weakness, added to the certainty of their eventual elimination, would force them to rebel against Soviet power with fanatical, if futile, zeal. In March 1937, at the height of the Great Purge, Stalin extended his argument to its logical, if terrifying, conclusion. He told a plenary meeting of the Central Committee that the party had been backward in coping with internal enemies and demanded increased vigilance:

We must destroy and cast aside the rotten theory that with every advance we make, the class struggle of necessity will die down more and more, and that in proportion as we achieve success the class enemy will become more and more tractable. . . . On the contrary, the further forward we advance, the greater the successes we achieve, the greater will be the fury of the remnants of

[3] V. I. Lenin, *State and Revolution*, New York, International Publishers, 1932, p. 31.
[4] V. I. Lenin, *Collected Works*, 4th ed., Moscow, Progress Publishers, 1965, Vol. 28, p. 254. Italics in the original.
[5] V. I. Lenin, *ibid.*, Vol. 29, p. 389. Italics in the original.
[6] J. Stalin, *Problems of Leninism*, 11th ed., Moscow, Foreign Languages Publishing House, 1953, p. 317.
[7] J. Stalin, *Works*, Moscow, Foreign Languages Publishing House, 1955, Vol. 12, p. 381.

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the broken exploiting classes, the sooner will they resort to sharper forms of struggle, the more will they seek to harm the Soviet state and the more will they clutch at the most desperate means of struggle, as the last resort of doomed people.[8]

This was Stalin's "creative Marxism-Leninism"; it provided the ideological basis for mass arrests and executions. With this logic, he rationalized his decision to intimidate or murder his enemies and refashion the Communist Party into a structure loyal to him personally and incapable of independent action. According to the new logic, frontal attacks by the reactionary forces had failed. They therefore resorted to infiltration of leading party and state organs—realizing, as the *Short Course* was to put it, that "the easiest way to capture a fortress is from within." The class struggle, that is to say, was reflected inside the party, and the laws requiring intensification of this struggle were just as valid within the party as they were against enemies of the party. Just as the overthrown capitalists were depicted as engaging in frenzied attacks on the regime, so party officials became "agents of fascist espionage services . . . spies, wreckers, assassins, diversionists and traitors to the country." [9] They had to be crushed in a violent struggle. And, of course, they were.

Respite and Retrenchment

With the approach of World War II and the conclusion of the Great Purge, Stalin began to modify the official line on class conflict. In his speech to the 18th Party Congress in March 1939, he made no reference to an intensified struggle or to the need for strengthening the Soviet state. To be sure, he argued that the Soviet Union, surrounded by hostile capitalist powers, required strong military and police forces and an elaborate intelligence network. But, he added, "their edge is no longer turned to the inside of our country but to the outside, against external enemies." There were no exploiters left in the country—"there was no one to suppress," Stalin said—so the main task of the state apparatus *inside* the country was to support "peaceful economic and organizational work, and cultural and educational work." [10] Thus, in the face of an overwhelming foreign threat, Stalin attempted to transform terror into benevolence, to unite the party and the people for a war of national defense. Politics—this time national, not personal—clearly dictated a modification of the policy of class struggle.

The easing of the line was to last less than a decade. By the end of the 1940's, with the Cold War in full sway, the notion that class conflict would continue to intensify was again dusted off. But another new element was added: Stalin's theory was applied beyond the borders of the USSR—to the satellite states and to relations between East and West. The elimination of "opposition" groups in the "people's democracies," for example, was said to be taking place "in conditions of violent class struggle, which will be intensified in proportion to the further consolidation of the leading state role of the proletariat." [11] During the late 1940's and early 1950's, when a wave of purge trials swept through Eastern Europe, these too were rationalized by the application of Stalin's formula. Intensified class struggle throughout the region was said to result from expanded espionage and subversion by the "imperialist camp." The achievements of the various Communist regimes supposedly stimulated Western governments to intensify the *international* class struggle. As one Soviet leader put it:

The greater the successes in building socialism in the USSR, the stronger the new social structure becomes in the countries that have fallen away from the capitalist system as a result of the Second World War, the more actively the imperialist camp, headed by the ruling circles of the USA, will try to expand its subversive activities against the USSR and the people's democracies. The trials of traitors and turncoats in the people's democracies showed that there is no plot, no dirty espionage activity, no terrorist act that the American brigands will not undertake.[12]

This is not to say that the old line that internal enemies would increase their counterrevolutionary efforts as communism drew nearer was ignored. Indeed, in the months before Stalin's death, the press waged a "vigilance campaign" frighteningly reminiscent of the Great Purge atmosphere of the 1930's. The announcement of the "Doctors' Plot" in January 1953 was accompanied by criticism of the security police for failing to uncover the doctors'

[8] Stalin, *Mastering Bolshevism*, New York, New Century Publishers, 1946, pp. 21-22.
[9] *Short History of the Communist Party of the Soviet Union*, Moscow, Foreign Languages Publishing House, 1943, p. 360.
[10] Stalin, *Problems of Leninism*, p. 797.
[11] *Voprosy Ekonomiki*, No. 1, Jan. 1949, in *Current Digest of the Soviet Press* (hereafter *CDSP*) (New York), Vol. 1, No. 18, pp. 4-5.
[12] F. Kozlov, *Kommunist* (Moscow), No. 1, Jan. 1953, p. 47.

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"wrecking, terrorist organization" sooner, and indicated that a new round of purges was very likely in the offing. Again, Stalin communicated his intentions by issuing constant reminders that class struggle inevitably intensifies under socialism.[13]

A Legacy Repudiated

With Stalin's death—even before the Doctors' Plot was revealed to be a fabrication—the tone and content of official pronouncements changed dramatically. In his last years, Stalin had renewed his demand that the Soviet state machine be strengthened.[14] With the exception of one speech (of March 9, 1953) by Malenkov, his successors ignored this demand. A major article on Stalin's theory of the socialist state, published in *Kommunist* several days after the dictator's death, sedulously avoided any reference to the doctrine of intensified class struggle and the demand for a more powerful state apparatus. The fundamental task of the state was said to be "peaceful economic-organizational and cultural-enlightenment work." [15] The article did not deny the dangers of capitalist encirclement: the imperialists, it said, still would attempt to send "spies and wreckers" into the USSR, to use "individual renegades," "hidden enemies of the people," and "bearers of bourgeois ideology." But now—as another article in *Kommunist* emphasized—since the exploiting classes had been liquidated and no hostile classes or social groups were left, the "reactionary forces of the capitalist states, in their efforts to carry on subversive work against the Soviet state, cannot find within our country any significant social support." [16] Thus, there was no need to strengthen the state apparatus or to use it in waging a more ruthless class struggle.

Without further discussion, Stalin's emphasis on a more powerful state resorting to intensified terror was quietly abandoned in the return to "socialist legality." Indeed, these notions were kept out of public discourse for some three years.

In February 1956, in his "Secret Speech" at the 20th CPSU Congress, Nikita Khrushchev revived the issue explicitly by denouncing Stalin's assertion that class warfare must sharpen as society approaches communism. The First Secretary labeled the argument "an attempt at theoretical justification of the mass terror policy." The application of "revolutionary violence" against the exploiting classes, Khrushchev argued, was appropriate only when those classes existed and were powerful. Stalin, however, had "put the party and the NKVD up to the use of mass terror when the exploiting classes had been liquidated and when there were no serious reasons for the use of extraordinary mass terror." [17] Four months later, when the Central Committee issued its formal resolution condemning the cult of personality, the party's imprimatur was placed on Khrushchev's position. Stalin's formula was termed "erroneous" and "the basis for the grossest violations of socialist law and for mass repressions." [18] It had, of course, performed precisely those functions, and the official Soviet repudiation of the thesis was solid evidence of a genuine rejection of mass purges.

It would be comforting to say that since 1956 there has been no public hint of a desire on the part of any element of the Soviet leadership to resuscitate the formula. This is almost, but not quite, true. In 1961, at the 22nd CPSU Congress, Khrushchev himself made the assertion that "the counterrevolutionary uprising in Hungary" showed "that, during the period of socialist construction, the class struggle may at times grow more intense and assume an acute form." [19] Coming, as it did, five years after the "secret speech" and in the context of new attacks on Stalin, this was indeed a startling statement. The explanation may lie in the fact that up to this time, despite the maneuverings by Khrushchev, Malenkov, Bulganin, Molotov, etc., no leader was strong enough (or sufficiently strongly inclined) to use the formula against his enemies. But by 1961 Khrushchev was at the height of his power and eager to isolate, expel, and punish the "anti-party" group. He was not above using a discredited Stalinist doctrine to attack what he regarded as vestiges of Stalinism.

Except for this one occasion, there has been no public suggestion since the dictator's death that the class struggle might grow more acute. His successors have continued to call for a strengthening of

[13] L. Smirnov, *Bloknot Agitatora*, No. 3, Jan. 1953, in *CDSP*, Vol. V, No. 4, p. 3; and *Pravda*, Jan. 13, 1953, p. 1.
[14] *E.g.*, see Ts. Stepanian, "The Soviet State—the Chief Instrument for Constructing Communism in the USSR," *Bolshevik* (Moscow), No. 14, Sept. 1949, pp. 10-26.
[15] F. Konstantinov, *Kommunist*, No. 5, March 1953, p. 23. This, of course, was precisely Stalin's language at the 18th party congress in 1939.
[16] *Kommunist*, No. 6, April 1953, p. 17.
[17] *The Anti-Stalin Campaign and International Communism*, New York, Columbia University Press, 1956, pp. 28-29.
[18] *Ibid.*, p. 290.
[19] *Pravda*, Oct. 18, 1961, p. 5.

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the Soviet state, but they emphasize that this will serve only national security and domestic welfare purposes. There have been no more demands for enhanced coercive powers to respond to assaults by hostile classes or to root out the hidden remnants of alien groups through violent class struggle. Indeed, the 1961 Party Program explicitly declares that "with the liquidation of the exploiting classes, the [state's] function of suppressing their resistance withered away." [20] Even Brezhnev and Kosygin, who seem uneasy with Khrushchev's relatively benign concept of a "state of all the people," and who claim that the USSR remains a dictatorship of the proletariat, have stayed away from Stalin's formulation.[21] Clearly, the Soviet leadership has interred Stalin's thesis.

Meanwhile, in China

The situation in the People's Republic of China is dramatically different. Mao Tse-tung, who had embraced Stalin's formula enthusiastically, accepted Khrushchev's repudiation of that doctrine with considerable reluctance. And, over the past ten years, Mao and his followers have gradually reintroduced into public discourse the various elements of Stalin's theory. In the USSR, the argument had served to rationalize and even to foreshadow a purge. In China, too, the formula has been a companion to turmoil and mass terror, and a weapon used by the leader to remove subordinates from power.

Maoist paranoia and willingness to use force against supposed class enemies are as formidable as their Stalinist counterparts. For Mao, as for Stalin, there are always class enemies. In March 1949 Mao stated to the CCP Central Committee:

After the enemies with guns have been wiped out, there will still be enemies without guns; they are bound to struggle desperately against us, and we must never regard these enemies lightly.[22]

Six months later, he spoke out on the same issue, this time using language almost identical with Stalin's:

The imperialists and domestic reactionaries will certainly not take their defeat lying down and they will struggle to the last ditch. After there is peace and order throughout the country, they will still engage in sabotage and create disturbances in various ways and will try every day and every minute to stage a comeback. This is inevitable and beyond all doubt. . . .[23]

Given such an authoritative prediction, it is not surprising that the Chinese leaders, in the years after they achieved state power, unearthed numerous "conspiracies" plotted by counterrevolutionaries, spies and saboteurs. Invariably, the actions of these people were explained by reference to Stalin's theory of intensified class struggle. Particularly during the period of the Korean War, domestic counterrevolutionary elements were said to be conspiring with foreign imperialism to "defeat the revolutionary cause of China and restore . . . reactionary rule." [24] Thus former Minister of Public Security Lo Jui-ch'ing could claim that "future struggle against secret agents will become more invisible, more complicated, more sharp and more violent." [25]

Allegedly confronted by an organized campaign of violence and subversion, the authorities responded vigorously. "This situation," a *People's Daily* editorial pointed out in 1955, "demands of us ceaseless intensification of the suppression of the enemy . . . to enable us to smash the enemy's sabotage activities more successfully." [26] The Soviet model—including both Stalin's logic and Soviet police practices—was hailed as instructive. According to another *People's Daily* editorial, "the Chinese people, by learning from Soviet experience, must know that only when . . . resolute measures of suppression are adopted can . . . counterrevolutionary activities be reduced and finally extinguished." [27]

Thus, the Chinese have conducted a seemingly endless series of "rectification" or "remolding"

[20] *Pravda*, Nov. 2, 1961, p. 6.
[21] D. Chesnokov, *Pravda*, Feb. 27, 1967, pp. 2-3. The present formulation remains, however, quite benign; in V. M. Chkhivadze's words: while "all other essential aspects" of the state of the dictatorship of the proletariat remain, "an important component, the suppression of class resistance by the exploiters" has disappeared. *Sovetskoe gosudarstvo i pravo*, No. 10, October, 1966, p. 8.
[22] Mao Tse-tung, *Selected Works*, New York, International Publishers, n. d., Vol. 5, p. 364.
[23] Mao Tse-tung, *Quotations from Chairman Mao Tse-tung*, Peking, Foreign Languages Press, 1966, pp. 16-17.
[24] *Jen-min Jih-pao* (hereafter *JMJP*), March 11, 1954, in *Survey of the China Mainland Press* (Hong Kong), US Consulate General, No. 772, March 23, 1954, p. 11. (Hereafter *SCMP*).
[25] *JMJP*, Jan. 1, 1951, in *SCMP*, No. 43, Jan. 7-8, 1951, p. 10.
[26] *JMJP*, Jan. 8, 1955, in *SCMP*, No. 966, Jan. 12, 1955, p. 13.
[27] *JMJP*, Feb. 22, 1951, in *SCMP*, No. 72, Feb. 23-24, 1951, p. 9. Some officials who resisted Mao's policy of repression were reproved for "boundless magnanimity" toward counterrevolutionaries. Said *People's Daily:* "To be lenient to counterrevolutionaries is to be cruel to the people." *JMJP*, March 7, 1951, in *SCMP*, No. 79, March 7, 1951.

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movements: a mass campaign (begun in 1950) to suppress counterrevolutionaries; the "three-anti" campaign of 1951 (to combat corruption, waste and bureaucracy): the "five-anti" campaign of 1952 (aimed at bribery, tax evasion, fraud, theft of state assets and leakage of state economic secrets); and then, in 1955, another campaign against counterrevolutionaries. The first and last of these crackdowns were specifically aimed at eliminating people who were politically unreliable. Yet the other campaigns, too, were accompanied by large-scale purges.[28] Despite the scope and intensity of these efforts, there was never a promise of anything resembling "victory." To the contrary, *People's Daily* remarked, the people must be made to understand that the struggle against counterrevolution is "a protracted and arduous" task, "which can never be completed by one single campaign against counterrevolutionaries."[29] In due course, the class struggle was to become a permanent feature in China.

Stalinism, Chinese Style

In accepting Stalin's dictum that the class struggle intensifies as socialism draws nearer, the Chinese did not neglect his corollary thesis that class enemies would inevitably resort to disguise, masquerading as genuine revolutionaries to infiltrate the party. In Lo Jui-ch'ing's words:

It is precisely because of the growing acuteness and complexity of class struggle that the enemy forces know better that in order to preserve themselves and hit our vital part, they are obliged to disguise themselves more ingeniously and to penetrate into our interior part to hide themselves.[30]

Thus, an intensified class struggle between genuine revolutionaries and their enemies would inevitably be reflected within the party itself. Party members with weak or uncertain proletarian convictions, or who "entertained mistaken ideologies," were simply purged.[31]

It is important to emphasize, however, that the nature and scope of these purges differed markedly from those in Stalin's Russia. Like the Russians, the Chinese resorted to unmitigated terror in eliminating officials and supporters of the old regime. But, unlike Stalin, Mao never resorted to mass terror against those in the party whom he wished to discard. As early as 1942, Mao criticized the wisdom of engaging in "ruthless struggle" or dealing "merciless blows" to wayward party members.

These measures are entirely necessary in coping with the enemy and the enemy ideology, but it is wrong to apply them to our own comrades. It often happens that enemies and enemy ideologies infiltrate the party. . . . Against our enemies, we must beyond doubt adopt the measures of waging a ruthless struggle and dealing merciless blows because they are applying the same measures against the party. . . . But we should not employ the same measures against comrades who have occasionally committed a mistake; in their case we should apply the method of criticism and self-criticism. . . .[32]

Since coming to power in 1949, Mao has adhered fairly rigorously to this policy, seldom permitting high-level intraparty disputes to develop into open friction. Thus, nearly all the members and alternate members of the Central Committee elected in 1945 were re-elected in 1956. But the frequent and large-scale struggles against so-called "Rightists" within the party, and the consequent dismissals of large numbers of middle-ranking officials (reaching as high as Deputy Premier Kao Kang in 1954 and Defense Minister P'eng Teh-huai in 1959) show that the purge was a very real instrument of Mao's rule.

In any event, Mao found Stalin's formula quite congenial and expected to make continuing use of it. In July 1955, for example, Minister of Culture Mao Tun declared that the class struggle would continue to grow "more aggravated, more complex, and more acute."[33] At the same time, Lu Ting-yi, who was then head of the Central Committee's Propaganda Department, suggested that, "as the Five-Year Plan begins to materialize, this [class] struggle will grow in intensity."[34] Clearly, Stalin's "creative development" of Marxism-Leninism had become an integral component of official Chinese ideology—and a very useful one. Khrushchev's "secret speech" in 1956 changed all that.

There was no immediate response from the Chinese to any of Khrushchev's revelations in Moscow, including his repudiation of the thesis of intensified class struggle. On April 5—six weeks after the

[28] For example, *SCMP*, No. 514, Feb. 18, 1953, pp. 11-12.
[29] *JMJP*, Jan. 3, 1954, in *SCMP*, No. 724, Jan. 9-11, p. 45.
[30] *JMJP*, June 30, 1955, in *SCMP*, No. 1083, July 7, p. 21.
[31] *Chieh-fang Jih-pao*, Dec. 21, 1964, in *SCMP*, No. 968, Supplement, Jan. 14, 1955.
[32] Mao Tse-tung, *Selected Works*, Vol. 4, p. 51.
[33] *Current Background* (Hong Kong), US Consulate General, No. 350, Aug. 26, 1955, p. 1. (Hereafter *CB*).
[34] *Ibid.*, p. 11.

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secret speech—*People's Daily* included among Stalin's "serious mistakes" the fact that he had needlessly "broadened the scope of the suppression of counterrevolution." [35] But the Chinese followed Khrushchev haltingly, for they were obviously reluctant to yield such a useful doctrine. Their uncertainty was clearly indicated in another *People's Daily* editorial, which acknowledged—in deference to Khrushchev—that remnant counterrevolutionaries were "in a state of disintegration," and said that the "collapse of the enemy has become all the more marked." Yet at the same time it clung to the thought that counterrevolutionaries "will become more and more concealed in their operations, and more and more wily in their sabotage methods. . . . The struggle between the enemy and ourselves remains . . . complex and gigantic." [36] It was not until the summer that the Chinese finally accepted Khrushchev's views—and even then they did it grudgingly.

The revised Chinese position was spelled out in two articles in *Hsueh Hsi* (Study), in June and July. No new "facts" were introduced, but a new conclusion was drawn from the old facts. According to the new line:

As is known to all, the principal factor to determine the victory for class struggle is the ratio of class strength. Since the working class is gaining an upper hand politically, economically, and in other respects, and since the rich peasant economy and the capitalist tendency are subject to even greater restriction and [are] getting weaker and weaker, class struggle . . . during the transition period will not become increasingly acute.[37]

Thus the Chinese blandly dismissed the thesis which they had so often and so vigorously expressed. Nonetheless, Peking's reservations in accepting the change in line were evident—and understandable. Khrushchev was intent on pointing up the differences between his rule and Stalin's; he therefore deliberately focused on the terrifying consequences of Stalin's notions. But the Chinese, in repudiating Stalin, were also repudiating their own practice and, in a sense, their own leader. They were of course loath to call attention to this.

More important, they were loath to abandon a concept that had served them well in the past and could one day be useful again. Thus, the first *People's Daily* editorial to deny that class struggle intensifies during the transition period simultaneously warned against an excessive fixation on class harmony. It would be "equally wrong and extremely dangerous," the newspaper said, "to assume the absence of sharp and complex class struggle in the building of socialism or [the] absence of struggle between revolutionaries and counterrevolutionaries after the decisive victory of socialist transformation." [38]

The extreme Chinese view was thus replaced by a somewhat more balanced policy, which attacked both leftist extremism and rightist passivity. But it soon became apparent that the balance was weighted in favor of leftist activity to eliminate the "enemy," and that Mao had little use for Khrushchev's revision. The Chinese leader made this clear in 1957, when he formulated his theory of contradictions under socialism.

The Maoist Formula

Mao's theory, which usually is viewed as the theoretical underpinning of the Hundred Flowers campaign, can also be understood as a compromise between Stalin's theory of intensified class struggle and Khrushchev's repudiation of that theory. In part, Mao devised his formula to fill the vacuum created by Khrushchev in 1956—and to permit the CCP to avail itself of any measures it might deem necessary to cope with some future exigency. According to Mao:

. . . the turbulent, large-scale mass class struggles characteristic of the revolutionary period have *in the main* concluded. But remnants of the overthrown landlord and comprador classes still exist, the bourgeoisie still exists, and the petty bourgeoisie has only just begun to remold itself. *Class struggle is not yet over.* The class struggle between the proletariat and the bourgeoisie, the class struggle between various political forces, and the class struggle in the ideological field between the proletariat and the bourgeoisie *will still be long and devious and at times may even become very acute.*

Mao further added:

Even when all the counterrevolutionaries in existence have been rooted out, new ones may emerge.[39]

In short, Mao was most reluctant to part with

[35] *CB*, No. 403, July 25, 1956, p. 4.
[36] *JMJP*, April 16, 1956, in *SCMP*, No. 1277, April 27, pp. 5-6.
[37] *Hsueh Hsi*, No. 7, July 2, 1956, in *Extracts from China Mainland Magazines* (Hong Kong), US Consulate General, No. 47, Aug. 13, 1956, p. 2. (Hereafter *ECMM*).
[38] *JMJP*, July 12, 1956, in *SCMP*, No. 1336, July 25, 1956, p. 5.
[39] Mao Tse-tung, *On the Correct Handling of Contradictions Among the People*, Foreign Languages Press, 1964, p. 37. Emphasis added. Quotes respectively from pp. 37 and 22.

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Stalin's thesis, even reserving for himself the right to discover future conspiracies—which would, of course, "compel" the CCP to engage in large-scale class struggle.

Shortly after Mao issued this thesis, a rectification campaign was launched that resulted in a substantial purge in the ranks of the Communist Party, the Young Communist League, the state apparatus, and the minor parties.[40] The Chinese maintained officially that the rectification movement was aimed at improving the party's direction of society and promoting harmony between the party and the masses. But the so-called "bourgeois rightists," it was said, took advantage of the campaign. According to *People's Daily*, "they launched a large-scale attack on the working class, the laboring people, the revolutionary intellectuals and . . . the Communist Party." The class struggle, which had become more relaxed, "once again sharpened as a result of . . . frenzied attacks by the rightists."[41] Mao's prediction that the class struggle might become very acute thus turned out—surely not to Mao's surprise—to be true.

Still, Mao's remarks about future class struggle had been somewhat imprecise. In 1959, Liu Shao-ch'i, the head of the Chinese state, transformed Mao's vague remarks into a precise doctrine by constructing a theory of "undulating" struggle. Political and ideological struggles between the proletariat and the bourgeoisie, Liu argued, are inevitable during the whole of the transition period. But, he added, these struggles are "undulating" ones, which are sometimes acute and sometimes mild. They will finally disappear "only when . . . bourgeois political and ideological influences are finally wiped out."[42] This argument, which very neatly allowed the Chinese to have the best of both Stalin's and Khrushchev's worlds, has never been renounced, despite the wide-ranging attack on Liu over the past two years.

The Chinese press began to exhibit a harder line toward class enemies in late 1963, and by the end of 1964 it was apparent that some sort of large-scale cleansing of the party was the offing. In November 1963 a key article in *Hung Ch'i* (Red Flag) reminded readers, for the first time in many years, of Lenin's warning that the overthrown enemies of socialism would "multiply their efforts tenfold and their hatred a hundred times in the obstinate fight to restore capitalism."[43] The dictatorship of the proletariat, as Stalin had argued three decades earlier, would therefore have to grow stronger before it could be dispensed with. It "goes through the dialectical process of establishment, consolidation, strengthening and withering away."[44] And, the journal declared with unusual urgency, the party was in great need of purification!

If the party does not carry out uncompromising struggle against opportunist elements within its ranks and purge them, it will . . . face the danger of being carved up by the opportunists and losing those revolutionary fruits which have already been won.[45]

Here, it seems, is the basis for the Great Proletarian Cultural Revolution: the achievements won through struggle were in danger of being lost because some people were reluctant to continue the struggle. To combat this reluctance, one of Mao's lesser-known writings, "Carry the Revolution Through to the End," received renewed attention. Written on the eve of Communist victory in the Civil War and directed against acceptance of anything short of total victory, its message had peculiar relevance when wavering and compromise again threatened Mao's plans. Similarly, even the seemingly arcane and irrelevant philosophical question of whether "two-merge-into-one" or "one-divides-into-two" assumed immediate political significance. Fearful of providing legitimacy to any doctrine which seemed to support class peace, class cooperation or conciliation, Mao's followers lashed out at the "two-merge-into-one" school, condemning it as an ideological weapon of internal enemies.[46]

Weapon of the Revolution

By the time the Great Proletarian Cultural Revolution was formally introduced in late 1965, Mao had reassembled virtually the entire body of pseudo-Marxist theory which Stalin had employed to rationalize his massive purges. And, as the Cultural

[40] For evidence that Mao had in mind this purge several months earlier, see *Hsueh Hsi*, No. 100, No. 2, 1956 in *ECMM*, No. 67, Jan. 28, 1957, p. 9. For evidence of the purge, see, for example, *JMJP*, Aug. 29, 1957, in *SCMP*, No. 1606, Sept. 10, 1957, p. I.

[41] *JMJP*, Sept. 18, 1957, in *SCMP*, No. 1616, Sept. 24, p. 11.

[42] *CB*, No. 595, Oct. 5, 1959, p. 11.

[43] *Hung Ch'i*, No. 21, 1963, in *JPRS*, No. 22,177, Dec. 6, p. 6.

[44] *Ibid.*, p. 8.

[45] *Ibid.*, p. 17.

[46] See Donald J. Munro, "The Yang Hsien-chen Affair," *The China Quarterly* (London), No. 22, April-June 1965, pp. 75-82.

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Revolution has unfolded, the relevance of this theory has become increasingly clear. Like their predecessors in Stalin's day, China's domestic enemies allegedly conspire with one another and with all sorts of wicked foreign elements.[47] Like Stalin's enemies, they are said to face annihilation, are aware that their extinction is imminent, and "in a deathbed struggle . . . are resorting to more covert and malicious measures."[48] They do not confine themselves to putting up a futile defense against historical inevitability; instead, they are "rallying the reactionary influences in society to launch a frenzied counterattack."[49]

The Cultural Revolution has also produced significant changes in personnel. Mao, like Stalin thirty years ago, has resolved to strengthen the dictatorship of the proletariat. In practice this has been translated into an effort to oust from positions of authority those who have refused to accept his leadership without qualification. As a *Hung Ch'i* editorial phrased it:

Support should be given to those in power who are proletarians, precisely for the purpose of overthrowing those in power who are taking the capitalist road. Those in power who are taking the capitalist road should be overthrown, and overthrowing them is precisely to consolidate the dictatorship of the proletariat.[50]

Statements of this sort have been interpreted very literally. The Cultural Revolution is, to all parties concerned, "an extremely fierce, acute and profound class struggle,"[51] and the long list of functionaries—party, government and military—who have been dismissed and/or disgraced testifies to the bitterness of the struggle. The list includes a number of significant figures—*e.g.*, Lo Jui-ch'ing (Army Chief of Staff and former head of the security police), P'eng Chen (head of the Peking Party Committee and a member of the Politburo), Lu Ting-yi (an alternate member of the Politburo and head of the Central Committee's Propaganda Department), and Wu Lan-fu (head of the party, government and armed forces in Inner Mongolia and an alternate member of the Politburo). In addition, of course, Liu Shao-ch'i, the head of state, has been the object of a long and intense campaign of vilification as the "top party person in authority taking the capitalist path."

While the menacing language and the widespread dismissals of leading figures point up the similarities between Stalin's and Mao's campaigns, it is well to remember that the two are by no means identical. There are enormous differences in the number of those purged and the treatment accorded them after they have been deprived of office. More-

Do Sport and Culture Mix?

The following letter was received by Mr. Dwight C. Baum, an American lawyer residing in Los Angeles, California, in response to his request for a subscription to the monthly China's Sports, *published until October 1966 in Peking:*

Peking, April 1967

Dear Subscriber:

China's great and unprecedented proletarian cultural revolution, initiated and led by Chairman Mao Tse-tung, the great leader of the Chinese people, is now developing in depth throughout the country. This great cultural revolution is a splendid creation and a great contribution to the socialist revolution and the international communist movement. It is of tremendous and far-reaching historic significance to China's revolution and the world revolution as well.

In order to concentrate our efforts on the current cultural revolution, we have decided, after consideration, to temporarily suspend publication as from October 1966.

Over the years, *China's Sports* has received your wholehearted assistance and co-operation. We wish to take this opportunity to express our thanks for this.

We will raise still higher the great red banner of Mao Tse-tung's thought and the banner against imperialism and modern revisionism to build a new world without oppression, exploitation and racial discrimination!

With our best wishes.

The Editorial Board of *China's Sports*,
China Publications Centre

[47] The list of enemies includes counterrevolutionaries, rich peasants, speculators, imperialists, modern revisionists, and "all reactionaries." *JMJP* and *Hung Ch'i*, Jan. 12, 1967, in *Peking Review*, No. 4, Jan. 20, p. 13; and *JMJP*, Feb. 24, 1967, in *JPRS*, No. 40, 614, April 13, p. 49.

[48] *Hung Ch'i*, No. 2, 1967, in *JPRS*, No. 40,041, Feb. 27, 1967, p. 17.

[49] *JPRS*, No. 40,614, p. 49.

[50] *Hung Ch'i*, No. 12, 1966, in *The Great Socialist Cultural Revolution in China* (7), Peking, Foreign Languages Press, 1967, pp. 23-24.

[51] *Hung Ch'i*, No. 15, 1966, in *Peking Review*, No. 52, Dec. 23, 1966, p. 21.

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over, the fact that the attack on Liu has thus far been confined to the realm of propaganda, and that he remains in office, has no parallel in Soviet practice. It may well be that Mao lacks the political strength to remove Liu, or that he is concerned about the impact of such a move on the party and the people. Or, it may be that Mao finds Liu's continued presence useful in providing a target for attacks on those who reject the ultra-militant brand of communism. The latter hypothesis sheds light on one of the most intriguing differences between Stalin's and Mao's campaigns—the precise nature of the threat to the new order.

The Permanent Enemy

The class enemy, it seems, is a permanent fixture in Chinese society. But the threat from this enemy is no longer "traditional" counterrevolutionary behavior—*e.g.*, sabotage, murder, arson, etc. For Mao as for Stalin, the ultimate danger to the revolution lies within the party itself—but in the Chinese conception, the danger is one of *ideological* subversion. The "reactionary elements of the landlord class and the bourgeoisie," *People's Daily* has declared, "pin their hope for restoration on the struggle in the ideological field." [52] Mao therefore seems intent on destroying Liu as an ideological threat to the continuing success of the Chinese revolution, not as a rival for political office.[53] The party chairman is concerned that the revolutionary cause will be subverted by people who pretend to be revolutionaries, but who in fact reject sacrifice and incessant struggle. The *Liberation Army Daily* has said of these "pseudo-revolutionaries":

There are wolves in sheep's clothing and man-eating tigers with smiling faces. . . . Enemies holding a false red banner are ten times more vicious than enemies holding a white banner. Wolves in sheep's clothing are ten times more sinister than ordinary wolves. Tigers with smiling faces are ten times more ferocious than tigers with their fangs bared and their claws sticking out. Sugar-coated bullets are ten times more destructive than real bullets. A fortress is most vulnerable when attacked from within. Enemies who have wormed their way into our ranks are far more dangerous than enemies operating in the open.[54]

If Mao has in fact been using Liu as an example of "bourgeois degeneracy" in order to destroy forever any vestige of moderation or compromise, this means that his objective is the same as the old Stalinist one: to fashion the party and the masses into disciplined forces which not only accept the absolute authority of a single leader but embrace a life of perpetual struggle.

Whether or not this is in fact Mao's objective, he certainly has accepted the entire edifice of Stalin's rhetoric. He appears to be engaged in a systematic purge of officials who are unwilling to accept sacrifice as a way of life. To aid him in this endeavor, he has already endorsed virtually all of the discarded—but not forgotten—arguments which Stalin employed thirty years ago. While the specific claim that the class struggle inevitably intensifies as communism draws nearer has not been made, the entire thrust of Chinese propaganda has been to emphasize the inevitability and glory of class struggle. The press does not formulate the argument in precisely Stalin's terms—but it preaches a doctrine of merciless destruction of the class enemy in terms indistinguishable from those Stalin employed. For example, in an editorial on the early Communist literary figure Lu Hsun, *People's Daily* declared:

Lu Hsun never appeased the enemy and never let him get away with anything. He felt not the slightest remorse when an enemy was badly battered, nor did he ever stop the fighting because the enemy seemed to be at his last breath. He believed in "beating the wild dog even though it is already in the water," and "once you start beating it, beat it to death." In our great proletarian cultural revolution, we should develop this spirit of Lu Hsun's of "beating the wild dog in the water to death" and never show softness or mercy to the enemy.[55]

The language is distinctly Chinese, but the content is clearly that of Stalin's messages on class struggle. Thus, Stalin's doctrine, supposedly discarded in 1956, has demonstrated an extraordinary tenacity —and may yet produce fear and chaos on a scale which even Stalin himself could not have envisaged.

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[52] *JMJP*, July 17, 1966, in *Peking Review*, No. 30, July 22, p. 12.

[53] This is not to deny the existence of a power struggle in Peking. The creation of the Red Guards, the enhanced role of the PLA, and the replacement of established party organizations with three-way alliances of PLA personnel, "good" party cadres and "revolutionary organizations," indicate quite clearly that Mao has not ruled China as Stalin ruled the USSR. He must wage his struggle for principle and power through new institutions.

[54] *Chieh-fang Chün Pao*, June 7, 1966, in *Peking Review*, No. 24, June 10, 1966, p. 6.

[55] *JMJP*, Oct. 19, 1966, in *JPRS*, No. 39,411, Jan. 4, 1967, p. 29.

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Politics in Flux: V

EDITORS' NOTE: With the articles by Messrs. Rubinstein and Pospielovsky, we resume our survey of trends towards political decentralization and pluralism in Eastern Europe. Unlike Poland (see Michael Gamarnikow's article in the July-August 1967 issue) with its mosaic of contending pressure groups dominated by an essentially totalitarian party, or even Czechoslovakia (see Morton Schwartz's article in the January-February 1967 issue), where the party finds itself challenged primarily by restive intellectuals and students, Yugoslavia is the one Communist country where the party itself is undergoing a profound transformation, one that affects its internal structure as much as its relations with the outside world. Future articles in this series will examine pertinent developments in other East European countries, as well as in the USSR.

Reforms, Nonalignment and Pluralism

By Alvin Z. Rubinstein

Two events have dominated the recent scene in Yugoslavia: the adoption of broad economic reform in July 1965 and the sudden downfall one year later of Aleksandar Ranković, former Vice-President of the Republic and heir-apparent to President Tito. The two developments are directly related. Although the toppling of Ranković from the near-pinnacle of power was triggered by the revelation that the secret police (formerly under his control) had been "bugging" President Tito's residences, and by mounting opposition to his hold over the Serbian Communist Party, it is clear that his dismissal was also tied to his attitude toward the reform program. The published records of the Yugoslav Central Committee's deliberations of July

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1, 1966, and ensuing statements by party leaders have indicated that Ranković was in the forefront of the party faction resisting implementation of the reforms, and that his obstructionism—extensively organized through his agents in the secret police—was a major cause of his ouster. Thus, by acting to remove Ranković despite the political embarrassments involved, President Tito has underscored his determination to press forward with the economic reforms and at the same time to democratize the Yugoslav League of Communists; there can be little doubt left that he is convinced Yugoslavia's future as a stable and viable nation depends on the success of the reform program.

The economic reforms are indeed far-reaching in scope, affecting the role of the party, the nationality question, and (as the Ranković ouster illustrates) the persisting subsurface controversy between decentralists and centralists, and between "liberals" and "conservatives," over the character and evolution of Yugoslavia's political system. Although the fundamental orientation of Yugoslav foreign policy was not initially thought to be at issue, it has become evident that the reforms are producing repercussions in this crucial area as well. Thus the reform program has important implications for the future of Yugoslavia both domestically and in the international arena.

The immediate aim of the economic reforms is twofold: to restructure the system of prices and production so as to make Yugoslav goods competitive in Western markets; and to promote still further the decentralization of economic and social-welfare decision-making in Yugoslavia.[1] Following closely upon the ineffectual reforms of 1961-62, the 1965 measures have been invested with a sense of urgency. Prior to their adoption Yugoslavia was, quite simply, living beyond its means. In 1964 and the first half of 1965, the country was incurring a balance-of-payments deficit at a rate of more than 200 million dollars annually, with sizable debt repayments coming due to Western (largely American) creditors. Critically concerned over this debt situation and over the general deterioration of the domestic economy (which was characterized by widespread industrial and administrative confusion), the Yugoslav leadership introduced measures more drastic than any that had been taken since the system of workers' self-management was adopted in the early 1950's.

To make Yugoslav exports more competitive and to curtail the consumption of foreign goods, the dinar was devalued by 66 percent. Concurrently, it was announced that overall federal spending would be reduced and—perhaps most important—that federal subsidies to industry would be drastically curtailed. As a consequence, individual enterprises must now rely essentially on their own funds and on credits from commercial banks for capital expansion; similarly, their profits and wage payments depend to a large extent upon their productivity. As initial progress is achieved, the reforms project a further dismantling of the remaining elements of the centrally-administered economic structure, growing reliance upon a quasi-market system to determine the distribution of investment funds, and the creation of a rational price structure. Meantime, the banking system has been significantly freed from administrative and political interference. In sum, Yugoslavia is shifting toward a quasi-market economy that will allow the free flow of goods, capital, and services, both internally and internationally, to the optimum degree consonant with the size of the country, the level of domestic economic development, and the preservation of the essentials of the political and social system—including the leading ideological and political role of the party.

In the course of extensive public debate and discussion, it has become clear that there are differing views and interpretations within the leadership with regard to both the present and the potential scope of the reforms. No one has denied, however, that Yugoslavia has embarked upon a major gamble. In one of a recent series of television interviews of party and government officials, Petar Stambolić—at the time Chairman of the Federal Executive Council (the equivalent of Prime Minister)—expressed the prevailing view in maintaining that while great risks were involved in trying to open the Yugoslav market to the world economy and to make Yugoslav goods competitive abroad, the reforms would also "bring about new opportunities . . . to achieve a higher level of economic development." He went on to state:

As a matter of fact, the greatest risk of all would have been if we had continued to be restricted to the boundaries of our domestic market, if we had missed the opportunity to accelerate our development through the establishment of strong links with the world economy,

[1] According to Rudolf Bicanić, a distinguished Yugoslav economist, the overall aim of the reforms "is no less than to build a model of a socialist system for a developed country, one which will be able to stand the competition of other developed countries and progress on its own merits, without the constant tutelage of government machinery." See his article, "Economics of Socialism in a Developed Country," *Foreign Affairs* (New York), No. 4, July 1966, p. 643.

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if we had begun to lag behind the achievements in contemporary technology in the world.[2]

In assessing the "risks" involved, the leadership has seemed less concerned by the possibility that the reforms might jeopardize the supremacy of the party in the political system than by the possibility that failure of the reforms might create pressures for a reversion to the centralization of economic and social life and for closer ties with the Soviet bloc. At the same time, there seems to have been a general comprehension that *not* adopting the reforms, not acting at all, could have the same consequences as to act and fail—a deduction that could incidentally explain the efforts made by "conservatives" to counsel Tito against any action.

It is, of course, too soon to assess the permanent impact of the reforms on the conditions they were intended to alter. Yet it may be useful to examine their probable implications, first, for Yugoslav foreign policy, and second, for the internal evolution of the Yugoslav system.

Foreign Policy

Nonalignment is the lodestar of Yugoslav foreign policy. Although periodic improvements in Yugoslav-Soviet relations invariably lead some Western analysts to predict Tito's imminent return to the Communist fold, the fact is that the Yugoslav leaders have not—except for a period of exaggerated expectations during 1955 and 1956—seriously considered realignment with the Soviet Union. Since 1957 they have clearly remained wedded to their policy of nonalignment, and it hardly seems likely that they would discard their present prominent position among the nonaligned nations for an uncertain status in Moscow's splintered socialist commonwealth.

There are also compelling domestic reasons for adherence to nonalignment: it is the only policy that is acceptable to all factions of the party, to the different regional blocs within the Yugoslav federation, and to the main strata of the population—serving as a compromise both for those who prefer closer ties with the Soviet bloc and for those who favor a more West European orientation. During the formative 1952-1955 period when Yugoslavia was engaged in far-reaching experiments with its social and economic system and at the same time was edging back toward normal relations with the Soviet Union, the policy of nonalignment enabled Tito to shelve differences both within and outside of the party. There is now widespread agreement among Yugoslavs on the success of this course. It ended Yugoslavia's diplomatic isolation and gave the country an international importance disproportionate to its size, wealth, and power. As a leader among the nonaligned countries, Yugoslavia has acquired prestige abroad and played an influential role in world affairs. These results of nonalignment are a source of pride to all Yugoslavs

PROGRESS REPORT

Caption above: "For 4% Growth." *Caption below:* "Everything is fine in our plan except upper atmospheric weather conditions." *Labels:* on plant, "production"; on figure, "Federal Institute on Planning"; on sun, "increase of exports"; on clouds, "activization of investments, reorientation of exports, limitation of imports, financing of exports."

—*From* Politika *(Belgrade), Dec. 14, 1967.*

[2] *Politika* (Belgrade), Feb. 18, 1966, p. 7.

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and have helped to promote unity despite the very real divisive problems and forces within the federation. For the first time in its history, Yugoslavia has a truly "national" foreign policy.

The Yugoslav leaders are quite aware, however, that Belgrade's international influence is not permanently guaranteed—a fact underscored by the continuing rivalries and leadership changes that have beset the nonaligned "Third World" as it gropes for a constructive adaptation to the changing international environment. Thus the champions of the economic reform program have argued that Yugoslavia's prospects for continued leadership in the nonaligned world rest on the country's ability to create a stable, prospering socialist state. In politics as in all else, so the argument goes, influence gravitates to the successful.

Belgrade's policy toward Europe—a logical counterpart to its policy toward the Third World—is evolving out of a combination of economic necessity, the intractable fact of geography, and the loosening of bloc ties. In economic terms, domestic development has required that Yugoslav goods become competitive in Western markets. Belgrade's seven-year campaign for membership in GATT (the General Agreement on Tariffs and Trade) finally bore fruit in August 1966, when Yugoslavia was admitted as a full member. In an article anticipating this diplomatic and economic achievement, *Borba* noted the important contribution of the 1965 economic reforms toward making this objective a reality:

The abolition of state subsidies for exports, the monetary reform aimed at strengthening the dinar, the stopping of inflation, the stabilization of the economy, and the introduction of a stable tariff system in conformity with that which is in force in most GATT countries have created the prerequisities for a more rapid inclusion of our economy in the international division of labor.[3]

To join GATT, Yugoslavia had to institute far-reaching economic, monetary and fiscal reforms, and these in turn have enormous implications for the political system, as will be discussed shortly.

East and West

Paradoxically, just when Yugoslavia has been seeking to increase its trade with Western countries, a marked improvement has occurred in its volume of trade with the Soviet bloc. In 1965 Yugoslav trade with Eastern Europe increased 20 percent over 1964, and in 1965-1966 combined, almost 40 percent of its total foreign trade was conducted with the Soviet bloc. Some Western analysts direly viewed this as an indicator of a pronounced new easterly orientation on Belgrade's part. However, one should be wary of drawing unwarranted political conclusions from economic data. In the first place, Yugoslav trade with the Soviet bloc is on a barter basis, indicating that no firm institutional links have as yet been established. Moreover, it seems clear that most Yugoslav enterprises trade in the East not because of political preference, but primarily because their goods are not sufficiently salable or competitive in the West. On the other hand, Eastern Europe's keen appetite for consumer goods and new interest in expanding trade outside the bloc have given Yugoslavia a ready outlet for most of what it seeks to sell.

Although Tito's visit to the USSR in January 1967 produced signs of growing Soviet disquiet over the pace and character of Yugoslav economic and party reforms, suggesting a potential source of future discord, political relations between Yugoslavia and the Comecon countries are generally good at the present time. This is the result of a number of factors: the assiduous cultivation of Yugoslavia by the USSR and the East European countries; the willingness of the Comecon countries to absorb an ever greater percentage of Yugoslav export production, particularly consumer goods, machine tools, and ship construction—areas of output in which Yugoslavia has increased its productive capacity but not its ability to sell in Western markets; the similarity (although not complete agreement) of Yugoslav and Soviet views on Vietnam and the dangers of escalation in Asia; Moscow's acceptance of the primacy of peaceful coexistence as the guiding principle in relations with developing countries; agreement in the UN on colonial questions and disarmament; shared suspicion of West Germany; the seeming irreconcilability between Moscow and Peking; Moscow's policy of relative non-interference in the internal affairs of Eastern Europe; and the coalescence of official Yugoslav and Soviet positions during the Arab-Israeli war of June 1967 and the ensuing diplomatic imbroglio in the United Nations. One other factor needs to be mentioned: the growing liberalization of Yugoslav society, accelerated by the 1965 reforms, has in a sense generated a countervailing force to mollify those in Yugoslavia who are not completely in accord with the reforms,

[3] *Borba* (Belgrade), April 8, 1966.

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who fear a weakening of party control or a loss of their own importance.[4] This "corrective" takes the form of closer external relations with the socialist camp concomitant with the giant steps being taken *internally* to move Yugoslav socialism even further away from socialism as it is practiced in the Soviet bloc. It may well be that the political balance in Yugoslavia between external and internal considerations, and between the different interest groups that have to be accommodated, is so fine that the adjustment is instinctive and unconscious rather than deliberate and planned.[5]

The Yugoslavs are under no illusions about the limited (and perhaps temporary) value of expanded trade with the Soviet bloc. Confronted with debts to Western countries of almost one billion dollars and a pressing repayment schedule, they are acutely aware of their need to sell in the "convertible currency areas" (Western markets) and to build up their hard-currency reserves. The repeated exhortations of party and government officials to implement the reforms have elicited the humorous comment among Yugoslavs that "certain countries carry out reforms on the basis of dollar reserves, while we do it on the basis of inner reserves." While access to markets in the socialist camp is currently easy and official Belgrade enjoys good relations with the Soviet bloc, it is not inaccurate to say that most of the creative thinking in academic and governmental circles is aimed at finding ways to help break down military-political blocs in Europe and, in economic terms, to open up the world market, which for Yugoslavia means Western Europe and the United States. Whether through trade, legislative and financial inducements to private foreign investment, or the expansion of scientific, cultural, and intellectual contacts, Yugoslavia's long-term economic expectations must revolve around the West.

Though economic considerations are giving Yugoslav policy a European cast heretofore lacking, politically Yugoslavia is still wedded to nonalignment and the closest possible cooperation with the Afro-Asian countries. Tito's unabashedly partisan advocacy of the Arab position since last year's June war is due as much to his perceived need to demonstrate Yugoslavia's reliability as an ally in nonalignment as to his personal loyalty to Nasser. He was determined not to jeopardize the credibility of either by equivocation. Nonalignment remains central to Yugoslav foreign policy not out of a quest for Balkan grandeur (though this may have been important at one time), but because it has become a unifying thread woven into the fabric of

Some Relevant Questions

Was it necessary for us to engage ourselves [on the Arab side], and if it was necessary, where does our Yugoslav national interest lie?

—Joza Vrhovec in *Vjesnik u srijedu* (Zagreb), Sept. 13, 1967.

Where shall we get this money [for maintaining economic relations with underdeveloped countries] if we continue to maintain the current shocking deficit in our trade with West Germany, a deficit of many hundred millions of German marks, or if France remains in 13th place so far as our exports are concerned, and in ninth place with respect to imports?

—Jurij Gustincic, Foreign Policy Editor, *Politika* (Belgrade), Oct. 4, 1967.

Can one even assume that it is possible to make so-called "purely economic" reforms without making corrections in the social [i.e., *political*] *mechanism as well?*

—Bozidar Bogdanovic in *Politika* (Belgrade), Oct. 16, 1967.

[4] This article is concerned principally with liberalization in the economic realm and its probable effect on the evolving political system. There is no gainsaying the crucial importance of the political component of liberalization to any appraisal of Yugoslav society, but discussion of this phenomenon is beyond the scope of the present paper. While economic liberalization and political liberalization are integral variables in a complex process, they are not synonymous; furthermore, the frontiers of one may be pushed continually into uncharted terrain, while the other is extended only cautiously and fitfully, if at all. Thus, attempts to create a form of market socialism and attract foreign private investment capital could result in a further loosening of the Yugoslav system; but against this promise in the economic realm one may juxtapose the setback to the evolution of constitutional practices represented by the summary removal of Ranković as Vice President– a decision that many Yugoslavs, regardless of political outlook, felt was clumsily handled and apt to reinforce the apathy of youth toward political life.

[5] The author can offer no hard facts in this respect. The accomodations made by different wings of the party are easier to intuit than to document—but they are nonetheless real and basic to any understanding of Yugoslav politics. The accessibility of Yugoslav officials to foreign scholars and their willingness to discuss in informal fashion major internal problems lend a dimension to our knowledge of the functioning of the political system which cannot as yet be readily identified or traced in published sources.

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Yugoslav political life and could be excised only at the risk of serious domestic discord. At the same time, the economic reforms, which are essential to the country's continuing progress, are crucial to the long-term enhancement of Yugoslav prestige among the nonaligned nations and to the retention of its exclusive position as the only European country in that political constellation.[6]

Internal Political Trends

On the Yugoslav domestic front, the main "political" events of the past year and a half have been the downfall of Aleksandar Ranković and the reorganization of the executive organs of the League of Yugoslav Communists in October 1966.[7] Yet actually the economic reform program will probably have more consequences for the future of the Yugoslav political system. For in the process of achieving a further decentralization of economic decision-making, the reforms may inadvertently encourage a trend toward political pluralism along republican lines, with great effect on the succession problem and on the political-economic alignments that are certain to emerge when President Tito is no longer on the scene.

To grasp this possibility, it is necessary to bear in mind that Yugoslavia does not have a national Communist party. Rather, each of the six republics comprising the Yugoslav federation has its own party organization, Congress, Central Committee, and Executive Committee. Only at the level of the Central Committee of the federation is the party "national," *i.e.*, is the membership drawn from all segments of the country and organized as an integrated leadership. Thus, nationality effectively bars lateral political mobility. Unlike the Communist Party of the Soviet Union, the League of Yugoslav Communists does not shuffle party cadres from republic to republic, according to the party's needs and the vicissitudes of power rivalries. Its *modus operandi* is such that cadres are reassigned only within the republic to which they belong—unless, of course, they accept a position with the federal regime in Belgrade. In recent years it has not been uncommon for party officials to resist assignment to Belgrade, preferring to cultivate personal power in the republican party organizations.

As a consequence of current efforts to restrict both governmental and party interference in the evolving system of market socialism, the reins of political authority are being loosened. Profitability is assuming a growing precedence over purely political considerations as a basis for measuring success and allocating resources. It would be ingenuous, however, to presuppose the withering away of the leading political role of the League of Yugoslav Communists in the system. What seems to be taking place, among other things, is a shift in the loci and structures of political power. The republican party leaderships are emerging more openly than before as the ruling oligarchs, and the hitherto powerful *opština* (commune) party organizations are experiencing a diminution in power at the local level. Consequently, economic enterprises may tend to look increasingly to the republican party organizations for legislative and executive support in many matters.

The political cast of the several republic party leaderships has varied. The economic reforms were opposed principally by the party leaderships in Serbia, Montenegro, and Bosnia-Herzegovina, and only minimally by those in Croatia and Slovenia. However, the division between liberals and conservatives does not follow sharply along republic or nationality lines. In the case of Serbia, for example, Ranković and his coterie promoted resistance to the reforms, but the Serb Mijalko Todorović (who is now Secretary of the newly constituted Executive Committee of the League of Yugoslav Communists) was a leading advocate of the reform program; the problem was that he wielded little

[6] Belgrade's continuing commitment to nonalignment as a general policy does not mean that Yugoslav leaders have been happy over the way nonalignment has evolved in recent years. On the contrary their disappointment must be great. The death of Nehru, the deposals of Nkrumah and Ben Bella, and the fall of Sukarno have stripped nonalignment of most of its former charismatic figures; except for Tito, only Nasser remains—and his future is uncertain. Tito's dream of a cooperating constellation of nonaligned countries exerting significant influence in international affairs is thus further than ever from realization. The loosening of bloc cohesion and the deterioration of economic conditions have made most of the nonaligned countries more amenable to assistance from the Great Powers and lessened their interest in grandiose international initiatives. One consequence of this mood has been a diminution of Tito's prestige; the leadership he gave to nonalignment from 1954 to 1965 seems irrelevant today.

[7] Under the reorganization of October 5, 1966, the executive organs of the Central Committee of the League of Yugoslav Communists were revamped as follows: the previously top-ranking 19-member Executive Committee was expanded into a 35-member Presidium; and a new 11-member Executive Committee, including the six secretaries of the Executive Committees of the republican party organizations as *ex officio* members, was created to implement decisions of the Central Committee. The post of Secretary-General of the LYC and the four-member Secretariat were abolished and two new posts established: President of the League of Yugoslav Communists, held by Tito, and Secretary of the Executive Committee of the League of Yugoslav Communists, held by Mijalko Todorović. In terms of importance, it would appear that the Presidium is political heir to the former Executive Committee.

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influence in the Serbian party organization as long as Ranković was in ascendancy. Similarly, Dobrivoje Radosavljević, who at Ranković's instigation was removed from the Central Committee of the League of Yugoslav Communists in December 1964, was made Chairman of the Serbian Party in 1966, presumably as a supporter of the reforms. He carried out a limited political housecleaning of the party machine before he stepped down in January 1968, apparently for reasons of health.

The Decline of Local Party Power

For their part, the republic party leaders have tried to shift the blame for spotty implementation of the reforms onto the local party organizations. Proponents of the reforms have also directed their criticisms against these party organizations, first, because it was safer than tackling the republic party bosses head on, and second, because it was widely agreed that the local party organizations were in need of an overhaul in any event. Party personnel problems are most acute at this level, and the local party officials are finding it difficult to adjust to the new "hands-off" role of the League of Yugoslav Communists.

In the past the *opština* party organizations were the backbone of the LYC. They ensured the implementation of Central Committee decisions by the Workers' Councils—but in a manner that was not always characterized by fidelity to the avowed principles of local self-management or democratic procedures. Local party officials, who were all too often political hacks with minimal education, technical competence, or skill in handling opposition through persuasion and consensus management, exercised inordinate influence in the shaping of managerial policy. Their power sprang from the premium put in the past on political loyalty and reliability, but since the reforms the stress, of course, has shifted to productivity and efficiency. While local party officials have been slow to obey the proscription of the LYC Central Committee against intervention in the operation of enterprises, such interference has dropped noticeably since the removal of Ranković—mainly because of increased compliance on the part of the republic party leaders.

Gradually, then, the *opština* party organizations have been shorn of much of their former authority, and they are now experiencing a period of crisis. It is unclear what functions they are to perform, particularly in regions where "political" (*i.e.*, uneconomic) factories have predominated in the past as a consequence of empire-building within the republic party. While they have been singled out as scapegoats, there is no doubt truth in the charges against them of obstructionist behavior, ranging from "nonimplementation of adopted viewpoints and conclusions of leading bodies" to "violation of the principles of self-management," and from "the illegal acquisition of public property" to "misuses of position." [8] Reluctant to relinquish prerogatives they have enjoyed since 1945 and confused by the often bewildering profusion of pronouncements about "interference" and "noninterference," [9] *opština* party officials are looking more than ever to the republic party leaders for new guidelines.

New Alignments and Emphases

The republic party leaderships, confronted with the weakening of their local constituencies and the general political uncertainty stemming from the economic reforms, are seeking to cultivate closer ties at the commune and regional levels with the leading economic enterprises, which in turn may be forced to look to them rather than to Belgrade for support in legislative lobbying and financial favors.

The commune, it ought to be noted, is both the basic political-territorial and economic subdivision of government. The emphasis on economic efficiency and rationality has intensified pressures for the amalgamation of the communes into larger units in order to counter localism (as well as to

[8] *Borba*, Jan. 16, 1966.

[9] Typical of the confounding statements on the issue of "interference" and "non-interference" is the following passage from a speech by Vojin Lukić, Secretary of the Central Committee of the Serbian Communist Party, quoted in *Borba*, Jan. 8, 1966: "Communists have often faced a dilemma, not knowing what they should and what they should not do, where they can and where they cannot 'interfere.' There have been . . . cases of unnecessary interventions or direct interference in the making of concrete decisions . . . [and] cases of inactivity and apathy, which resulted from fear of unnecessary interference. However, it is not a question here of a division of social affairs and problems into permitted and forbidden ones, *since as far as Communists are concerned there can be no issue of social significance with which they would not be permitted to deal.* . . . It is a question of an old problem, *i.e.*, of the *method* of 'interference' . . . in solving certain issues, and not [a question] of determining the jurisdiction or competence of the League of Communists. . . . We must not refrain from 'interference,' *i.e.*, from ideological-political activity, but we must avoid incorrect interference, *i.e.*, the bureaucratic commanding and imposing of attitudes." (Italics added.)

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weaken the power of those entrenched party "regulars" who have not adapted to the new modes of economic decision-making). Prior to 1965, there was concern that the *opština* governments were developing "localist" tendencies—*i.e.*, seeking to create within their own boundaries all the services and institutions required by the population; thinking solely in terms of their own needs in areas of education, economic viability, welfare services, investment, *etc.*; and remaining indifferent to the requirements of neighboring communes and to the general scarcity of resources. Through integration it is hoped that a greater measure of rationality in the allocation of investment resources will be achieved. Both the republic party authorities and local enterprises have a vital interest in this process, a factor that may encourage their cooperation.

The republic party organizations are also bound to be strengthened by the effort to ensure that each republic (*i.e.*, the predominant nationality group therein) wields sufficient influence in the central government to safeguard its interests and be assured of an equitable portion of the national pie. Those enterprises which are not heavily engaged in foreign trade or defense must now rely more on the republic party leaders for funds and favors. Until 1965 the enterprises tended to seek assistance directly from their republic representatives in the federal government. Croatian shipbuilding interests, for example, would have approached a Croatian deputy or member of the Federal Executive Council in Belgrade, enlisting support on a personal basis, and often bypassing the republic party organization; likewise, the automotive interests in Kragujevac relied on the Serbian leaders to provide them adequate protection against competition from the other republics and from foreign imports. Since the 1965 reforms and Yugoslavia's admission to GATT in 1966, the infant industries are finding it more difficult to obtain support in Belgrade because of the stimulus that has been given to quasi-market forces; they may therefore be expected to seek a greater degree of help from the republic party organizations.[10] Indeed, certain firms and industries have already moved in this direction, and more will certainly follow if and as the reforms take root and succeed in restructuring economic and political relationships.

Reinforcing the propensity toward pluralism at the republic level is the striking absence of "all-national" institutions that cut across republic lines. Since the reorganization of the secret police following Ranković's ouster, only two institutions are left that may be classified as cross-republican in character: the military establishment and the Federal Economic Chamber (*Privredna Komora*).[11] The political role of the military represents a major unknown in any speculation about the evolution of Yugoslavia after Tito. It seems significant, however, that even the military has recently had to accede to pressures from the republics—notably, by agreeing to permit a certain percentage of all conscripts to serve in their native republics. The Federal Economic Chamber, not to be confused with the Economic House (*Privredna Vece*) of the Federal Parliament, is an association of enterprises modeled after the Chambers of Commerce in the United States; organized both on a republican and on a functional basis, it includes in its membership the major manufacturing, extractive, and foreign trade industries. It has been active only in recent years and its political influence cannot yet be judged, particularly with respect to the shaping of legislation.

A phenomenon which could greatly affect republic party relationships and post-Tito political alignments is the economic integration of industries—notably the electronics and communications industries—now proceeding in the northern and southern parts of the country. Cross-republic integration is showing remarkable progress, as the reformers had hoped, but it is unexpectedly clustering in a manner apt to aggravate traditionally corrosive nationality divisions. In general, one cluster comprises Slovenia, Croatia, and Bosnia-Herzegovina to the north; the other, Serbia, Montenegro, and Macedonia to the south.[12] The two compete with each other and cannot agree on a division of labor or investment that would benefit the whole country rather than the region. While this trend serves to minimize nationality consciousness between some of the republics, it has the effect of strengthening an unofficial anti-Serbian coalition.

[10] The shipbuilding concerns, however, still look to Belgrade, since federal credit management and regulation of foreign trade continue to play an important role in the financial regulation of this type of firm.

[11] The legal system, particularly at the levels of the Constitutional and Supreme Courts, does provide a measure of cohesion but has not as yet made its mark as an identifiable all-national institution.

[12] These alignments are somewhat fluid in that the nationality areas of Vojvodina and Kosovo-Metohija (both of which are situated in the Serbian republic) fluctuate in their affiliation with one cluster or the other, depending on the industry involved.

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A key question is whether this clustering will tend to exacerbate divisions between the Greek Orthodox, more pro-Russian southern half of the country on the one hand, and the Roman Catholic, culturally Central European, more West-European-oriented northerly part on the other—or whether it will prove to be a step toward the countrywide integration sought by the reformers.

Nationality Problems

One of the implicit assumptions of the architects of the 1965 reforms was that economic development would stimulate economic integration and help to counter chauvinism among the various nationality groups in Yugoslavia. Through the unfettered flow of capital (and labor) in search of profit, it was hoped that enterprises would not restrict investment to their own republics but would channel development funds—without regard to ethnic or parochial interests—into areas of the country where labor was relatively inexpensive and prospects attractive for handsome returns. Although the government in Belgrade continues to use federal funds to finance the less developed regions as a supplement to republic and local efforts, the economic reformers expected this function to be performed primarily by the quasi-market forces that were to be set in motion.

The hopes that surplus investment capital would move to less developed regions of the country have not been fulfilled; the tendency seems to be for capital to circulate *primarily* within the republic, or between republics in the clusters mentioned above. Furthermore, in the case of Croatia, for example, surplus enterprise capital has tended to circulate only in the vicinity of Zagreb, leaving the less developed regions of Croatia to fend for themselves. In Slovenia there has been some flow to less developed areas of the republic. But neither Croatia nor Slovenia, which are the most developed and richest republics of Yugoslavia, have shown much interest in investing in the underdeveloped south. Among the barriers to the free flow of capital, chauvinistic sentiment must be counted as a key factor—although the problem is also attributable to deficiencies in the economic system and to the innate commercial conservatism of many of the workers' councils, which are not always the farsighted economic and social innovators they are theoretically supposed to be.

Another potential problem is the possibility that nationality-consciousness in the less developed republics of Macedonia, Montenegro, and Bosnia-Herzegovina may intensify, rather than diminish, as economic improvement sets in, modernization takes root, and social conditions change. Macedonians, for example, will be less likely to assimilate or migrate to other republics—due in part to the regime's decision in the early 1950's to cultivate Macedonian as a separate language, sowing the seeds of a heightened nationality consciousness that may burgeon, not languish, with economic development. Yugoslav leaders hope that nationality dissonances and discord will diminish as material improvement loses its regional character and spreads throughout the country. But ethnic particularism is too virulent to be sedated by the meliorative properties of economic determinism. It simmers beneath the surface, occasionally erupting over issues that in themselves may seem innocuous but that in reality are fraught with political dynamite.

An event that took place in the spring of 1967 illustrates this deep-seated tendency. On March 17, the Zagreb literary magazine *Telegram* published a declaration, signed by 19 Croatian cultural institutions, calling for official recognition of Croatian as a separate language with status equal to Serbian (under the 1963 Constitution, Serbo-Croatian is considered one language). The editor of the magazine, who is also a member of the Central Committee of the Croatian Communist Party, was immediately dismissed from his journalistic post. Two days later in Belgrade, 45 members of the Association of Serbian Writers drafted a reply, though it was not published for two weeks due to political pressure. In it they declared that if the Croats were granted their demands, then the Serbs living in Croatia should be taught Serbian in Cyrillic, not Latin.

A week after the dispute erupted, Tito issued a statement which underscored what everyone already knew—that the issue was political and not simply linguistic. He denounced the Croatian "declaration" as "a stab in the back" but was equally critical of Serbian particularism, accusing all involved of undermining Yugoslav unity. Thereafter the LYC leadership acted to dampen the dispute. Several Croats, including the distinguished writer Miroslav Krleža, who had been a member of the Croatian Central Committee, resigned from the party; others were expelled. A comparable political crackdown occurred in Belgrade. By mid-April, the controversy was over—for the moment. Yet the flare-up showed that the traditional animosity between Serb and Croat remains as a divisive force and a poten-

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tial danger for the future. After more than twenty years, the "Yugoslavism" that Tito has sought to nurture is apparently still weak and loosely rooted.

Palliatives and Prospects

Inevitably, the party organizations at the republic level both exploit and defer to traditional nationality sentiments as a means of protecting and extending their influence. With the enhancement of economic viability at the republic level, the LYC leadership has recognized the need to cater to national sensitivity by providing both for a "balanced ticket" at top party levels and for greater consultation of nationality representatives by the Federal Assembly when questions relating to nationalities arise.

Assignments in the central government and seats in the federal parliament are already determined on a proportional basis to ensure that each nationality has appropriate representation. This policy has now been extended to the highest levels of the party. The 35-member Presidium of the LYC, created in the party reorganization of October 1966, reflects the concern to maintain a proper nationality mix—for the first time including, for example, a representative of the Albanian minority (which has suffered much discrimination in the past, as the party itself admitted after Ranković's exposure). On the legislative side, in April 1967 the constitution was amended to strengthen the Chamber of Nationalities, hitherto the least significant of the six chambers comprising the federal parliament. The Chamber of Nationalities was empowered, *inter alia*, to discuss the federal budget and all questions relating to social and economic development of nationality areas. There is every indication that due regard for proper nationality representation will persist, notwithstanding the hopes of the "integrationists" and the budding technocracy.

Ironically, this political imperative may unwittingly facilitate the ultimate cohesiveness of the Yugoslav state and contribute toward the maintenance of a stable federation in any crisis that may develop in the post-Tito period. Stabilizing propensities may be built into the system in two mutually reinforcing ways. First, coalition politics along republic lines appears to hold out the best prospect for preventing the principal disintegrative threat to the Yugoslav state: the recrudescence of Greater Serbianism, which many non-Serbs see lurking under the rubric of "Yugoslavism" or Yugoslav unitarism. Justified or not, the thought is there, fed by historical remembrances and the persistence of regional loyalities. The Serbs are the largest nationality group in Yugoslavia, constituting more than 40 percent of the population. For historical and cultural reasons they (and the Montenegrins) thoroughly dominate the military establishment. At the level of generals, a balance is maintained along nationality lines, but in all lower ranks the Serbs and Montenegrins predominate—a fact explained by the strong military tradition that is part of their heritage and also, perhaps, by the attractions of a military career for people from less developed regions of the country. The Serbs also have a history of aspiring to dominate the other South Slavic groups, and it will be remembered that pre-World War II Yugoslavia foundered in the sea of animosity between Serb and Croat. As long as Tito lives, an acknowledged and effective mediator of nationality discord is available to keep the lid on Yugoslav politics. But after Tito, only the existence of a *de facto* veto on the selection of the top leaders could reassure republics such as Slovenia, Croatia, and Macedonia that their interests would be adequately protected against excessive Serbian influence.

Београђани: Мораћемо изгледа пристати на новогодишњи прекид ватре, премда нам уплаћени угаљ није стигао, а нови стан — прокишњава!

PEACELOVERS

Belgraders: "It seems we shall have to agree to a New Year's ceasefire, since the coal we paid for hasn't arrived and the new apartment leaks!" (Newspaper is headlined "Holiday Ceasefire.")

—*From* Politika *(Belgrade), Dec. 27, 1967.*

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The second stabilizing possibility may be stimulated by the economic reforms. Awareness of the importance of maintaining an unofficial coalition with other republics to forestall undue Serbian influence in the federation may, in the future, have the felicitous effect of prodding the richer republics (Slovenia and Croatia) to help the poorer ones (Macedonia and Bosnia). Since 1965 there have been reports of Croatian money moving into Macedonia. And Slovenia, which needs migrant Macedonians to fill unskilled and semi-skilled positions in the labor force, and which has not treated them hospitably in the past, is taking measures to improve their living conditions.

* * *

To sum up, the failure of the reforms would be a bitter disappointment for the Yugoslavs, throwing into precarious condition their international prestige, their influence, and the prospects for a peaceful and less authoritarian evolution of their "opening society." But failure and success—in this instance—are relative terms. Wisely, there has been no attempt to project an exact definition of what would constitute a successful prosecution of the reform program; in fact, those who drafted the blueprints have allowed for lesser achievements, and no one knows when or where the limits of experimentation will be drawn. Rather what is taking place is a process of change from an old course—and from old forms and procedures—to new ones, and progress is expected to be uneven.

The Yugoslavs refer to the economic reforms as another revolution, as portentous for the system as was the introduction of workers' councils in 1950. The Central Committee of the League of Yugoslav Communists has reaffirmed its commitment to the democratization of Yugoslav life and and institutions, in the area of political relationships as well as in the economic sphere. Whatever the outcome, there can no longer be any serious question of the sincerity of this commitment, as Yugoslavia continues to pioneer its way toward a viable, less confining socialism.

Dogmas Under Attack: A Traveler's Report

By Dimitry Pospielovsky

When one travels through Yugoslavia today and sees the changes that are taking place there from year to year, the unmistakable impression one gets is that the country is moving toward an ever greater dependence on private enterprise. This evolution is likely to continue unless some sufficiently powerful ultrareactionary force within the Yugoslav Communist League should reverse the trend. The latter possibility, however, seems to rule itself out by the simple question: Could Yugoslavia afford a renationalization, resocialization, and recentralization of its economy? Whereas the Soviet Union has managed to struggle along for nearly forty years (since the liquidation of the New Economic Policy) despite the utter wastefulness and

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inflexibility of its centralized, planned economy, Yugoslavia, with far less natural wealth, cannot afford such a handicap. It can hardly be doubted that, besides the factor of Western pressure after Yugoslavia had been thrown out of the Cominform and become dependent on Western help, one of the principal reasons that led the country to turn away from the Stalinist economic pattern towards greater pragmatism was the simple fact that Yugoslavia was too poor to go it alone in applying the irrational and wasteful Stalinist economic prescriptions. The process of economic liberalization, however, has been very slow, uneven, and constantly frustrated by the party bureaucracy, with its centralist legacy and instinctive fear of any form of autonomous force in society. The process is by no means complete. And in some ways the frustrating effects of the Marxist-Leninist ideology are more obvious now than ever before, as Yugoslavia approaches the point of some "either or" decisions.

Rise of Private Enterprise

One ironic aspect of the present Yugoslav economic situation is the fact that the country's Communist regime finds itself dependent to a great extent, as far as foreign-currency inflow is concerned, on the private sector. The chief single source of foreign currency is tourism. And with the expansion of tourism, and the hope of expanding it even further, the Yugoslav state has been forced to rely more and more on the private sector and to allow its expansion, thus tacitly—and sometimes even explicitly—admitting that the nationalized sector lacks the flexibility demanded by the tourist industry. It is an innovation, for instance, that the state tourist agencies now display signs saying, "We also provide rooms in private houses." In fact, in a number of government tourist agencies, this author was actually advised by the clerk *not* to take a room in a state-run hotel. "You get much less for your money, and the service is bad and slow," I was told. "Better take a room with private people; we'll arrange it for you." And arranged it was.

State-operated restaurants, garages and camping-sites have also been very bad as well as insufficient in Yugoslavia. So, in the course of the last two years, some restrictions have been lifted on privately-run restaurants, garages and other tourist-oriented businesses, with the result that new restaurants with decent food and service have sprung up all over the place, particularly in Dalmatia. Last spring, the setting-up of privately-operated camping-sites was also legalized, so that this kind of tourism should likewise improve. Further, in the fall of 1967, the federal government began drafting a new law to abolish restrictions on the number of workers that can be employed in private enterprises serving tourists, and judging from the support the proposed legislation has received from the press and some top party officials,[1] it should shortly become a reality. At least on paper, therefore, it should soon become possible for Yugoslav citizens to set up private hotels of any size. And what difference is there, in principle, between a private hotel and a private factory?

Yugoslavia's second largest source of foreign currency is the remittances sent back home by nearly 400,000 Yugoslavs working in the West. One hardly need point out how this reflects on the so-called economic self-sufficiency of the socialist states, which still remains one of the central themes of Soviet and East European Communist propaganda, supported artificially by withholding the real facts on unemployment and by keeping the frontiers shut.

Farming has also improved considerably in Yugoslavia in the last two years or so, reflecting the fact that private peasants have been given more economic rights and allowed to purchase tractors and other means of modern farming, and that taxation has been made less rigid. More than 80 percent of the country's agricultural land is in private hands. However, real progress in agriculture cannot be achieved as long as the government continues to limit the size of individual private landholdings to some 25 acres, which is far too small for modern intensive farming.[2]

The Hard Road of Economic Reform

Industry, of course, has always been the pet of Communist propaganda and the central element in its claims of progress achieved under Communist rule. Significantly enough, however, the current

[1] *E.g.*, see *Vjesnik* (Zagreb), Sept. 24 and Oct. 7, 1967; *Borba* (Belgrade), Sept. 25, 1967; also, Vladimir Bakarić, in *Vjesnik*, Oct. 26, 1967; and Ljubisa Ristović, in *Komunist* (Belgrade), Oct. 19, 1967.

[2] Discussion of the desirability of enlarging the maximum permissible size of farmers' private landholdings keeps recurring in the Yugoslav press. For instance, in *Politika* (Belgrade), Oct. 12, 1967, a member of the party Central Committee's Commission on Socio-Economic Relations stated that he did not see why the limit should not be raised to 15 or even 20 hectares (38 or 50 acres, respectively).

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Yugoslav economic reform, with its emphasis on the self-sufficiency and autonomy of each individual enterprise, has clearly brought out the fact that a majority of the Yugoslav industrial concerns that do pay their way are in the traditional industrial centers of the country—*i.e.*, Slovenia and Croatia —while, on the other hand, a very high proportion, if not a majority, of the new enterprises set up by the Communist regime, especially those in the traditionally less-developed areas, have not been successful and have been able to operate thanks only to the subsidies given them by the government. These are the so-called "political factories," and the aim of the pragmatic Yugoslav economic reformers is either to close them down completely or to refashion them from top to bottom along economically rational lines, with the necessary automation and reductions of workers. Attempts on the part of industrial managers to carry out such measures, however, encounter formidable resistance from the local party bureaucracy, which utilizes the so-called workers' councils to obstruct implementation of the reforms.

The motives of the party bureaucracy in opposing the reforms are pretty obvious. For one thing, increasing the economic strength and autonomy of industrial enterprises and their managements is almost certain to mean a proportionate decrease in the political and social power of the bureaucracy—especially in a Marxist state whose whole ideology and political life are, at least theoretically, production-oriented. For another thing, a further increase in unemployment through the laying-off of unneeded workers would create more economic and social problems for the local party administrators and detract still further from the prestige of a party which used to boast its ability to solve the unemployment problem once and for all. So far as the workers are concerned, on the other hand, the unpopularity of measures to streamline factories and lay off surplus employees is even more obvious. Consequently, it has been easy for the local party bureaucrats to get the workers' councils to use their demagogic powers to obstruct the modernization of enterprises—in other words, to sabotage the very economic reforms which are officially being promoted by the central government.[3]

Actually, while the central government continues to press for implementation of the reforms and to blame local obstructionism for delays, one has the impression that its own attitude is somewhat ambivalent. Indeed, there have been increasing indications that the leadership is not of one mind on the issue and that there are those within it who now fear that the full success of the economic reforms would eventually place the political structure itself in jeopardy. In these circumstances, the very decentralization that is a key element of the overall program of social, economic and political reform affords the central government and party authorities with a convenient means of sloughing off responsibility. They can claim that the hindrances to the reforms are none of their doing, and they can put the blame on the local party apparatchiks—as President Tito himself has done in many of his speeches. Even in the Soviet Union, it is standard official practice to blame all failures on individuals at the lower levels, and to credit all successes to the Central Committee; in Yugoslavia this can be done more convincingly thanks to decentralization.

According to fairly reliable unofficial sources, the recent high incidence of fires in Yugoslav factories is directly related to the obstructionism which enterprise managements have encountered in trying to modernize and streamline their plants. Numerous fires in factories previously insured for large sums of money were reported in the Yugoslav press during the summer and fall of 1967—and strikingly enough, most of these fires occurred in the more backward regions which have had the largest number of "political factories" requiring either drastic modernization or closure. Hearsay has it that the fires were actually caused by arson resorted to by desperate factory managers as a means of breaking the deadlock with the workers' councils over plant modernization and the release

[3] The role of the workers' councils in obstructing the economic reforms is never openly admitted in the Yugoslav press for the obvious reason that the principle of "self-management" is one of the fundaments of the current ideology. There have, however, been occasional oblique references to it. For instance, writing in the influential Belgrade literary journal *Knjizevne novine* (July 22, 1967), Zarko Vidović, a young professor of philosophy at Sarajevo University, made the statement that "the self-management agencies [workers' councils] in Yugoslavia cannot become a state within the state"—clearly implying that they do have such a tendency, and that it is a negative factor. Also, no less a document than the "Theses for the Reform of the Communist League of Yugoslavia," published in *Borba* (April 27, 1967), accused "bureaucracy" and "pseudo-liberal, petty-bourgeois ideologies" of "sowing mistrust in self-management" by arguing "that self-management was set up too early, that producers [industrial workers] are unable to decide on problems of the enterprise, that they are passive *and not interested in technological development*" (italics added). Thus, while defending the workers' councils, the "Theses" took cognizance of the criticisms being levelled by the technocrats and empirically-minded administrators.

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of redundant workers.[4] If this is true, the practice is curiously reminiscent of the earlier days of capitalism. One could argue, of course, that this is a positive development because it proves that the managers have become so materially and socially interested in their factories that they want to make them economically efficient at all costs, even at the cost of burning down the old plants. But this seems a rather wasteful way of achieving efficiency, and one that could have been avoided if the political considerations of the party bureaucracy had not entered the picture.

Workers' Grievances

Despite all the hindrances, however, the economic reform does move slowly forward. One of the results has been to do away with the artificial uniformity of wage norms. Every factory now pays its workers what it can afford to pay. Enterprises which carry on a lively and profitable trade with foreign countries pay their workers (particularly the skilled ones) wages on a par with those paid in the most advanced West European countries, while enterprises that barely make ends meet pay subsistence wages. As a result, wage differentials between individual factories have become absurdly great, and they are growing. A skilled worker can be paid $400 or more per month in a successful enterprise, and hardly $30 per month for the same kind of work in a less successful one. An important stimulus to the payment of better wages is the high rate of emigration abroad by Yugoslav workers. The wealthier and more profitable enterprises pay high wages in order to keep the turnover of skilled workers down. But such enterprises are still in the minority.

The contrasts in wage rates are one of the effects of opening up a society which ideologically is a closed one. Had there been trade unions free from centralized party control and capable of intervening on the workers' behalf, such huge wage differentials would have been out of the question. One could, of course, convincingly argue that the early stages of industrial development—particularly in the case of an industrial latecomer like Yugoslavia, faced with the competition of more advanced neighbors—require that the worker be left defenseless against the strictly economic and expansionist considerations of the manager. But this again evokes parallels in early capitalist development and raises the question: What has Marxism done in this field to save the Yugoslav worker from the injustices of unqualified capitalism? The workers' councils? As pointed out above, the councils have proven themselves an unconstructive, short-run help, if any.

As for the trade unions, they are committed to promote production and not to protect the worker or act as an organizing agent and champion of workers' grievances. Just as in the Soviet Union, strikes are neither forbidden nor allowed under the law in Yugoslavia. But in fact a strike can be treated by the authorities as sabotage, and the participants punished, although this does not actually occur any more in Yugoslavia and strikes are quite numerous.[5] In the present circumstances in which the local trade union committees do not act as a grievance-organizing mechanism, these strikes are simply anarchic outbursts, or "wildcat strikes" as they are called in Britain and the United States. They occur when the atmosphere of tension in a given enterprise becomes overcharged, and they are more outbursts of anger than they are a calculated tactical weapon. Consequently, they often cause more disruption of the economy and achieve less for the workers and the enterprise as a whole than would a premeditated, well-organized strike preceded by proper warning. In fact, this is the main complaint of certain Yugoslav writers—and even officials—who have been advocating the full legalization of strikes and of trade union participation in them.[6] If such legalization materializes and the official function of the trade unions changes accordingly, we shall be witnessing the beginning of Yugoslavia's transition from a stage displaying many of the features of early capitalism to one having more of the characteristics of modern capitalism, with greater welfare elements in it—comparable to the develop-

[4] According to Radio Zagreb (Nov. 22, 1967), Croatian Secretary of Interior Mato Krpan stated in the Croatian Executive Council that an inquiry into the fires "which have recently been numerous in Croatia" had come to the conclusion that the rumors of deliberate arson were unfounded. Krpan's denial lacked conviction, however, inasmuch as it admitted that the number of fires had shown a sudden and unusual increase which could hardly be satisfactorily explained on accidental grounds.

[5] See, *e.g.*, report in *Politika* (Sept. 5, 1967) regarding a strike against the Autotrans bus service in Rijeka (quoted in Radio Free Europe Research Report, (Nov. 2, 1967).

[6] *E.g.*, article by Milorad Mandić in *Nedeljne informativne novine* (Belgrade: Oct. 29, 1967); also statements by Croatian Communist leader Vladimir Bakarić (*Vjesnik*, Oct. 26, 1967) and Yugoslav party theoretician Veljko Vlahović (*Borba*, Oct. 26, 1967). On these and other statements on the legalization of strikes, see RFE Research Reports of Oct. 30 and Nov. 2, 1967.

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Towards Political Pluralism?

On Proletarian Dictatorship

Instead of a dictatorship *of* the proletariat, there is the likelihood of a dictatorship *over* the proletariat coming into being.

—Djuro Susnjić in **Praxis (Zagreb), No. 5-6 (September), 1967.**

. . . the political power of industrial workers as a separate group has been disappearing in proportion to the disappearance of social classes.

—Stefan Vracar, **Gledista (Belgrade), No. 8-9 (August-September), 1967, pp. 1053-66.**

. . . no dictatorship can bring about any [degree of] equality and freedom.

—Djuro Susnjić, **loc. cit.**

On Conformity

Due to such intense . . . indoctrination, no wonder that monopolistic ideology frequently becomes extremely simplified, schematic, one-sided, intolerant, petrified, sterile, and almost a caricature.

—Stefan Vracar, **loc. cit.**

[A bureaucratized party structure produces] cowards, conformists, petty bourgeois, careerists, and frequently . . . individuals whose moral integrity is completely in contradiction with the moral integrity of the average Communist.

—Ibid.

On Intraparty Opposition

[A party member should have] the right to express his opinion freely in the course of the decision-making process . . . [Such a member], while respecting the views accepted by the majority, [should be] allowed to advocate his own views both in public and in the party as long as he is deeply convinced his views are right.

Pedrag Vranicki, "State and Party in Socialism," **Knjizevne novine (Belgrade), Oct. 14, 1967.**

[It should be possible] to allow within the framework of a political party the unhindered activities of an organized opposition; this opposition would present minority views but would have normal political dialogues with the majority within the party and would support a mutually accepted policy. In this way it would act as a corrective to the policy line advocated by the majority in the party. Thus the worst aspects of the one-party system would disappear without threatening socialism as such.

Stefan Vracar, **loc. cit.**

There can be no self-management without the strengthening of democracy, without the conflict of opinions and interests, and without the formation of majority and minority views concerning all important problems. Still less is it possible for the vanguard [the party] to encourage such processes if its own internal life is not based on this very principle [of democracy]. The vanguard cannot be more narrow-minded, more timid, more intolerant and more incapable of winning . . . ideological clashes and controversies than the people whose vanguard it is supposed to be.

—Pedrag Vranicki, **loc. cit.**

On a Two-Party System

Would it not be more natural to have two parties, both of which would fight for socialism? Of course these two parties would, perhaps, differ in structure, followers and in ideological approaches concerning some questions of the construction of socialism. In such a case the majority party, as the ruling party, would face an organized opposition.

—Stefan Vracar, **loc. cit.**

* * *

Who are the "Conservatives"?

Knjizevne novine has become an important [source of] conservative and bureaucratic tendencies and, as a periodical, typical . . . of the negative [approach to] the social relations and practices of the League of Communists . . . *Knjizevne novine* is . . . trying to create doubts among its readers as to whether the program of the League of Communists and the Constitution are being implemented at all. *Knjizevne novine* wants to transform the League of Communists into separate, equal centers, each of which would have the right to its own position and independent opinions.

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ment in the West between a century and fifty years ago. But where are the merits of Marxist socialism here?

If the state has not given the workers institutionalized means for bettering their lot, neither has it been capable of coping with the unemployment problem—although by Marxist definition there should be no unemployment in a socialist state. According to official data, there are nearly 400,000 Yugoslav workers employed abroad, and nearly as many unemployed in Yugoslavia.[7] If we add to this the latent unemployment in the still overstaffed "political factories" and on the primitively exploited farms, the potential figure of unemployed could easily run into the millions in a country of only 20 million inhabitants.

Neo-capitalism: The New Stage?

All this goes to show that practically all the elements of early capitalism, either in actuality or *in potentia*, are present in Yugoslavia, thus destroying another of the Marxist-Leninist myths—namely, that socialism and the dictatorship of the proletariat make it possible to transform a primitive country straight from a state of semi-feudalism to that of an advanced modern industrial society, bypassing all the injustices of classical capitalism. The Yugoslav example shows that when a totalitarian Marxist state, after all the injustices and hardships that are its attributes, finally opens up and enters upon the road of less rigidity, it throws its population open to the injustices of the classical form of capitalism that has almost been forgotten in the West, such as the lack of proper protection for the worker and the absence of real workers' organizations which can fight for his interests.

Yugoslavia today stands out as the foremost example of this process because it is in the vanguard of the movement within the socialist world towards a less rigid and more open type of society. Yet, the Soviet Union itself will probably be repeating the same process tomorrow, even though the current Soviet program of economic reform is much milder than Yugoslavia's. The point is that the Soviet government's determination to compete with the United States economically requires that its economy be made infinitely more sophisticated and flexible, and hence more decentralized, with much greater autonomy for the managers and technicians, greater incentives, and more freedom of action. All these elements are interconnected, and no halfhearted measures will do. Stopping halfway would mean stagnation and loss of the competition with the United States, and with it of the hope of remaining a first-rate power. This the Soviet rulers will hardly accept. On the other hand, the Yugoslav example should warn them that there can be no marriage of totalitarianism with liberalism within the same society. The present anomalies of the Yugoslav regime are the result of such a misalliance.

A Bankrupt Ideology

So far we have been speaking about the ideology only as a kind of latent factor hindering the free and normal development of the economic and social reforms. Beyond this, one encounters virtually no signs of the Marxist ideology as an active and continuing intellectual force in Yugoslavia today. One leading Yugoslav intellectual, formerly a partisan and Communist, confided to the author his view that the Communist regimes will be remembered in history only as provisional governments which took over power in *backward* countries in time of crisis and transformed them into more modern states. Once this task is accomplished, these regimes become obsolete and find themselves beset by problems which cannot be solved within the framework of their own ideology—an ideology of social tension, class antagonism, suspicion and fear, an ideology of crisis. The Communist society, he remarked, is a war society, and if there is no war, it has to be invented in order to justify the system.

Indeed, one finds confirmation of this thesis even in the relatively free Yugoslavia of today. One of the chief factors which led the south Slavs to accept incorporation into a Yugoslav federal state was the constant fear of extinction by their more powerful neighbors: Austria, Hungary, Turkey, and Italy. Now, however, the danger of invasion from any of these countries seems negligible, and at the same time the experience of the Second World War has shown that the Yugoslav federation would probably be no match for a really powerful aggressor

[7] Radio Zagreb (Oct. 11, 1967) gave the number of unemployed as 260,000, with another 60,000 new graduates still seeking work—nearly four months after graduation! However, a journalist's report published in *Vjesnik u Srijedu* (Zagreb: Oct. 25, 1967) claimed that the number was much larger (see RFE Research Report of Oct. 31, 1967).

Unemployment in the Soviet Union is about as large as in Yugoslavia, although no official figures on it have yet been released and Soviet writers refer to it only under the guise of camouflaging clichés. See this author's analysis of unemployment in the USSR in *Osteuropa* (Stuttgart), April 1967.

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anyway. Consequently, the key rational arguments for keeping together the various south Slav nationalities in one federation have lost much of their force. A spreading consciousness of this may, indeed, have underlain the notorious "Declaration on the Croatian Literary Language," [8] which caused a huge uproar in Yugoslavia last year and led to the expulsion from the Yugoslav Communist League of some leading Croatian intellectuals, including the writer Krleza. At the same time, in an attempt to stir up opposition to nationalist-separatist tendencies within the federation, the party has been resorting to such naive tactics as indoctrinating its members at party meetings with the idea that Yugoslavia is still surrounded by enemies who are waiting only for a propitious moment to invade it. According to this propaganda, the foremost potential invaders are the Italians, who are even said to have attempted repeated landings on Yugoslav soil which were happily thwarted by the Yugoslav navy. Other ludicrous variations on this theme are that Yugoslavia is being "encircled" by NATO forces,[9] and that the Israeli-Arab conflict poses a threat to the very existence of the country!

How reminiscent this is of Stalin's notorious thesis of the capitalist encirclement of the Soviet Union! Similarly today, the conflicts that beset many parts of the world serve the same purpose for the Soviet regime, enabling it to rationalize the abnormalities, tensions and lack of freedom at home. It is in this context that the war in Vietnam, the Middle East conflict, etc. are absolutely necessary for the Communist states. If any of these conflicts are eventually resolved, new ones will have to be created or instigated. It is easy to see that an unsuccessful but persistently militant Nasser is of much more use to the Soviet Union than a victorious Nasser from this standpoint—not to mention other considerations of a purely economic nature, such as foreign trade and the sale of surplus military goods, which are now capitalistic attributes of the policies of the socialist states.

Thus, both in Yugoslavia and in the Soviet Union and the other "well-established" Marxist-Leninist states, ideology is a *raison d'être* and an instrument for the rationalization of actions and situations. That and only that.

There is other evidence to confirm the observation that the Marxist-Leninist ideology has ceased to be an intellectual driving force in Yugoslavia. The same ex-Communist scholar referred to earlier told the author that virtually the only Yugoslav intellectuals who are still sincere Communists today are the editors of, and some of the contributors to, the revisionist philosophical journal *Praxis*. He and a number of other intellectuals stated in private conversations with the author that they subscribe to *Praxis* only because there is no other journal in Yugoslavia which, at least philosophically, goes counter to the present regime. Had Mihajlo Mihajlov's porject of a really free journal been realized, they said, *Praxis* would have lost a substantial part of its present subscribers, who are few anyway.

Ideological degeneration also manifests itself in more mundane ways. On public holidays, for instance, local party organizations charter buses to take groups of their members on one-day or weekend trips to Trieste to engage in blackmarket trading. The Yugoslavs sell leather and other goods that are cheaper in Yugoslavia than in Italy, and in exchange they buy gold, silver and cloth for blackmarket resale in Yugoslavia at much higher prices.

Still another illustration of ideological degeneration—as well as of the relative tolerance of the present Yugoslav regime—is provided by what has become of former Ranković henchmen since their demotion from the secret police. Most of the lower officers either have opened up private restaurants or are serving as waiters in such restaurants. Others who had some legal education have started thriving private law practices. For instance, the author learned from well-informed professional circles that Lukić, one of Ranković's former chief aides who was ousted from the secret police and expelled from the party, has become the most prosperous private lawyer in Belgrade, and probably in the whole of Yugoslavia, earning millions of dinars per month. It is said that these lawyers are very much in demand because they still have their old connections and are able to win the most complicated cases for their clients. Many intellectuals are becoming increasingly disturbed over the growing popularity and success of these ex-police officers turned brilliant lawyers and the new connections they are developing. But that is another subject. . . .

[8] See preceding article by Prof. Rubinstein, p. 39.—Ed.

[9] See, *e.g.*, *Ekonomska politika* (Belgrade), Oct. 14, 1967; *Komunist*, Oct. 5, 1967; and the trade-union newspaper *Rad* (Belgrade), Sept. 1, 1967. The current attempt to revive the thesis of enemy encirclement is certainly dictated by the desire to divert public attention away from economic and socio-political difficulties at home towards external security problems, and to justify President Tito's unpopular policy of rapprochement with the Soviet Union and his passionate support of the Arabs in the Arab-Israeli conflict.

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The Many Faces of Ceylonese Communism

By Justus M. van der Kroef

Like many of its counterparts elsewhere, the Communist movement in Ceylon today finds itself torn between two rival parties, both of which claim to be the legitimate Communist Party of Ceylon (CPC), and whose conflicting policies and programs reflect in large degree the opposing viewpoints of Moscow and Peking. Nowhere is the conflict more apparent than in the two parties' divergent assessments of the tactical road to power, as expressed by their leading spokesmen in personal interviews with the author in Colombo last summer.* According to Pieter Keuneman, Secretary General of the Moscow-oriented CPC:

The main task of the Ceylonese Communist Party at present is to join with the center and with other leftist groups in a progressive united front and thus achieve power.[1]

On the other hand, Nagalingam Sanmugathasan, the acknowledged leader of the pro-Peking CPC, told the author:

The tactic of building a parliamentary united front is an illusion and a dangerous distraction; only unrelenting militancy against the neo-colonial structure of our country can bring success.[2]

As the two opposing Communist parties—both complete with their own separate central commit-

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[1] Interview with Pieter Keuneman, Colombo, June 18, 1967.

[2] Interview with Nagalingam Sanmugathasan, Colombo, June 26, 1967.

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tees, national congresses, and front groups—seek to consolidate their respective positions, the already serious atomization of Ceylon's political Left proceeds apace, rendering the success of either the pro-Moscow party's "united front" policy or the pro-Peking CPC's "militancy" less and less likely. Despite the apparently slim chances of Communist success, however, an examination of the pattern of conflict within Ceylonese Communist ranks seems worthwhile from the standpoint of contributing to an understanding of the broader effects of the Sino-Soviet split on Communist movements elsewhere.

The Background

The once united Ceylonese Communist Party [3] itself evolved from a split in the Lanka Sama Samaja Party (LSSP), which played a pioneering role in the propagation of radical Marxism in Ceylon and which still exists today as a nominally Trotskyite group. Founded in 1935 by British-educated upper and middle-class Ceylonese intellectuals, the LSSP is the country's oldest party in uninterrupted existence and was its earliest leftist ideological battleground. In the late 1930's, Trotskyites and Stalinists, critics and defenders of the Moscow purge trials and the Popular Front, trade-union militants and Fabians within its ranks struggled with one another to determine LSSP policy.[4] The outbreak of World War II finally made the breach between the party's pro-war Stalinists and anti-war Trotskyites irreparable, and early in 1940 the former were expelled from the LSSP. Later in the same year the Stalinists formed the United Socialist Party (USP), now regarded as the official "precursor" of the CPC. The USP proved short-lived as its attempts to infiltrate the volatile trade union movement soon led to its proscription and the arrest of some of its leaders. On July 2-3, 1943, its remaining members reconstituted themselves as the Communist Party of Ceylon, with Keuneman as Secretary General. The CPC's avowed support of the war and moderate commitment to the cause of Ceylonese nationalism assured the party's legality.

At its First Congress in April 1945, the CPC established a formal, "bolshevized" organization and adopted a program calling for national unity, working-class solidarity, and freedom. During the next three years, the party sought to implement its goals mainly by promoting ill-conceived strikes which demonstrated its increasing reliance on the Ceylonese Trade Union Federation (CTUF), the party's 10,000-member labor front. At the same time, competition for trade union support, constant ideological bickering, and leadership clashes hampered a coalition of left-wing forces, helping to give parliamentary control to the conservative and moderately pro-Western United National Party (UNP), under whose leadership Ceylon achieved the status of an independent dominion of the British Commonwealth in 1948. Despite brief periods of radical-left unity—as, for example, during the great strike of 1953—the UNP retained effective control of the government until the elections of 1956.[5]

Of critical importance to the CPC's tactics of fostering left-wing unity was the founding, in 1951, of the Sri Lanka Freedom Party (SLFP), a self-proclaimed "social democratic" party of essentially populist character. In contrast to the UNP and its Western-educated, middle-class, and urban-oriented leadership, the SLFP appeals particularly to the rural Sinhalese community and its leaders—the village teachers, the native physicians, the Buddhist clergy, the petty officials and the wealthier peasants. Since the 1952 elections, the CPC has usually sought to hitch its fortunes to those of the SLFP as the party of the "progressive national bourgeoisie," frequently entering into local no-contest election agreements with both the SLFP and the LSSP in order to avoid competing for the same parliamentary seats. This tactic greatly aided the SLFP electoral victories of 1956 and 1960, but the two SLFP governments that resulted from these victories (1956-59 and 1960-65) brought only slight advantages to the CPC. At no time was the party invited to join the cabinet, the more conservative SLFP leaders continuing to oppose cooperation

[3] There is no full-length or up-to-date history of the CPC or a complete and comprehensive analysis of its program and tactics—not even one put out by the party for its own use (party leaders have been too preoccupied with "practical problems," as Keuneman put it to this writer). An official accounting of some of the principal turning points in party history is available in a pamphlet by Pieter Keuneman, *Twenty Years of the Ceylon Communist Party*, Colombo, Lanka Press, 1963. A useful background sketch is Robert N. Kearney, "The Ceylon Communist Party," pp. 373-398, in Robert A. Scalapino, *The Communist Revolution in Asia. Tactics, Goals, and Achievements*, Englewood Cliffs, N. J., Prentice-Hall, 1965.

[4] See, *e.g.*, Leslie Goonewardene, *Lanka Samasamaja Pakshaye Keti Ithasaya*, Colombo, Samayawardane Mudranalaya, Malgakanda Para, 1960, pp. 18-19. This is the official LSSP history, written by the party's longtime secretary general.

[5] Indispensable to an insight into CPC tactics in the early nineteen-fifties is *Lanka's Way Forward, Political Resolution of the 5th Congress of the Ceylon Communist Party*, Colombo, Ceylon Communist Party Press, 1955.

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with Marxists of any kind. From 1962 to 1964, the CPC even felt constrained to denounce as "rightist betrayals" some of the SLFP's budget, taxation, and limited nationalization policies.

Equally ambivalent has been the CPC's relationship with the LSSP.[6] In August 1963—at the height of radical-left dissatisfaction with the SLFP government led by Mrs. Sirimavo Bandaranaike—the CPC and LSSP, along with a small Marxist splinter group, formed a United Left Front (ULF) whose program included demands for the transformation of Ceylon into a republic outside the Commonwealth, nationalization of the banks and the import-export trade, tax relief, and repeal of the Public Security Act (which gave the government extensive powers of censorship, preventive arrest, and other authority to suspend civil liberties).[7] Within a year, however, Mrs. Bandaranaike, capitalizing on LSSP opportunism, was able to destroy the ULF by persuading the LSSP to enter the cabinet as a coalition partner. It was a remarkable testimony to the CPC's resiliency (or, its enemies charged, its own unprincipled opportunism) that some of its leaders found it possible not only to praise the LSSP's abrupt change of heart, but even to join in voicing moderate support for a government they had denounced only a fews days before.[8] (The SLFP-LSSP coalition produced a right-wing revolt in the SLFP itself, and the government fell within a matter of months.)

This abject collapse of the United Left Front must have been a source of great satisfaction to the Sanmugathasan group, for it had vigorously opposed the ULF's emergence in August 1963 and, indeed, left the CPC only two months afterward. Thus, Keuneman's commitment to a united front, together with the tensions that were engendered by the Sino-Soviet dispute, must be regarded as one of the primary causes of the final party rupture. To Sanmugathasan, the ULF's preoccupation with parliamentary tactics was "suicidal" and the CPC's participation in this "revolution by consent" an opportunistic betrayal of principle.[9] He was not alone. Three additional members of the Central Committee, as well as two youth leaders and the party's chief peasant organizer, crossed their political Rubicon on October 27, 1963, and went on to form their own Communist Party of Ceylon.

With the ULF gone, the SLFP continued to maintain its control over the government until March 1965, when the UNP returned to power. Since then, however, the pro-Moscow CPC, along with the LSSP, has once again joined the SLFP in an official coalition of opposition to the government. But as the most recent SLFP national congress (July 1967) again made clear, internal SLFP opposition to cooperation with either of its coalition partners continues to be strong; and the party generally persists in its attitude that its partners need it more than the SLFP needs them.[10]

Parliamentary Representation

In the present 157-member Ceylon House of Representatives, the UNP and other government parties hold 91 seats, the opposition 59 (SLFP 42, LSSP 10, the pro-Moscow CPC 4, and minor groups 3), with one independent and 6 appointed deputies making up the remainder. In the less important 30-member Senate, the government holds 17 seats, the SLFP 10, the LSSP 2, and the Moscow-oriented CPC none. The Peking-oriented CPC has no parliamentary representation whatever, and indeed its sole venture into parliamentary elections proved disastrous. In the March 1965 national elections, Sanmugathasan ran for one of the three parliamentary seats in the Central Colombo electoral district. Among his opponents was Pieter Keuneman, who has regularly been elected from this district since 1947. Keuneman defeated Sanmugathasan by receiving more than 42,000 votes out of a total vote of about 216,000, whereas Sanmugathasan received a humiliating 2,427 votes ("ridiculously low support in an area with a large working class population," as Ceylon's leading daily commented).[11]

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[6] According to its present constitution, the LSSP is the Ceylonese branch of the Fourth (i.e. Trotskyite) International (*Lanka Samasamaja Pakshaye Wyawsthawa*, Colombo, Star Press, 1963, p. 1, art. 2) and officially adheres to its decisions. In practice, however, the LSSP seems little inclined to advance distinctively Trotskyite objectives.

[7] *Ceylon Daily News* (Colombo), Aug. 13, 1963, and Pieter Keuneman, "Towards Unity of the Working Class," *World Marxist Review*, Dec. 1963, pp. 9-13.

[8] *The Ceylon Observer* (Colombo), June 24, 25, and July 4, 1964.

[9] *The Ceylon Observer*, Oct. 11, 1963.

[10] Pro-Moscow CPC as well as LSSP representatives were not even invited to the public session of the 1967 SLFP conference (at the apparent insistence of SLFP right-wingers), even though at recent conferences of its two Marxist partners, SLFP delegates have been conspicuously in attendance. The SLFP chairman, Mrs. Sirimavo Bandaranaike, emphasized at the conference that the opposition coalition parties, though "united," remained "independent," particularly in local organizational matters. *The Times of Ceylon* (Colombo), July 22, 1967, and *The Ceylon Observer*, July 22, 1967).

[11] *The Times of Ceylon*, March 25, 1965.

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Before the split in the CPC, its electoral support remained roughly stable: the party won 3 seats and 4% of the popular vote in 1947; 3 seats and 6% (in a united front with another small Marxist group) in 1952; 3 seats and 4% in 1956, 3 seats and 5% in March 1960, and 4 seats and 3% in July 1960. Even after the party had split, the pro-Moscow organization managed to win 4 seats and slightly under 3% of the popular vote in 1965. In June 1967, Keuneman claimed about 18,000 members and about 7,000 candidate members for his party. Sanmugathasan declined to reveal membership data for his CPC, although he admitted that formal membership was small (estimated at about 2,000). The pro-Peking leader emphasized, however, that his party could count on the support of the 16,000 members of the Ceylonese Trade Union Federation (CTUF), of which Sanmugathasan is secretary general.

Despite claims to the contrary, it does not appear that the social spectrum supporting either CPC is as yet noticeably widening. According to an analysis by the pro-Moscow CPC, 40% of the delegates at its 1964 congress were "industrial or plantation workers," 9% were "clerical employees," while the remainder were designated as "peasants," "traders," professional persons, "pensioners" and, "of course, full-time political workers." [12] Forty-seven percent of the pro-Moscow delegates were said to have joined the Communist Party since 1955, 14% since 1960, and over half "were 40 years old or less." Eighteen were university graduates and 140 secondary school graduates. Apart from the question of how representative these delegates were of the actual social composition of the pro-Moscow party and its fronts, the fact remains that the electoral following of both CPC's is very largely drawn from the urban proletariat of the greater Colombo area—the most literate and "Westernized" region of Ceylon, where, over the years, virtually all Communist seats have been won.

From a trade union base, Communist strength radiates outward to lower-grade white collar workers, a few intellectuals, and scattered handfuls of peasants, rural artisans, and traders. A Communist following is also apparent among the Tamil-speaking tea and rubber estate workers of Indian origin, virtually all of whom are stateless and cannot vote. One major estate workers' union has been a mainstay of the Ceylonese Federation of Trade Unions (CFTU), the 23,000-member labor organization dominated by the Moscow-oriented CPC and perhaps its principal single source of strength. As will be indicated more fully, in recent months both CPC's have made determined efforts to find a greater following among the more radical, low-caste Indian Tamils, who continue to be oppressed by Hindu social discrimination.

There is also the growing problem of the educated unemployed and underemployed in Ceylon's sluggishly developing economy: "The largest reinforcements to the ranks of the unemployed come from the GCE-educated" (*i.e.*, the general secondary school graduates), one Colombo daily recently noted editorially. "These educated youths, turned out by the thousands every year from our schools and tutories, are flooding a field—the field of the white collar worker—in which the saturation point for employment prospects has already been reached." [13] In the past two years, this problem has led to a significant political radicalization, and there has been an especially marked growth in Marxist appeal among academicians, university students, and other school-age youths; it goes far beyond mere sophomoric posturing and affords both wings of the party new sources of support.

Separate Programs

Before dealing with the political tactics of the two CPC's, their formal programs should be examined briefly. According to its present constitution, the Moscow-oriented CPC is "the political party of the working class." Paraphrasing its terminology, its general objectives may be summarized as follows:[14]

1) Establishment of "socialism" in Ceylon, leading to the development "in due course" of a Communist society;

2) In the context of the above, encouragement of political freedom by combating colonialism and neo-colonialism, safeguarding the nation from foreign capitalistic monopolies, eliminating reactionary groups, and developing organizations that pro-

[12] *Forward* (Colombo), July 5, 1967.

[13] *Ceylon Daily Mirror* (Colombo), July 3, 1967. *Cf.* also *The Financial Times and News of Ceylon* (Colombo), June 1967, p. 12: "What is needed is not merely a more efficient agriculture—important as that is—but a way of life suited to the swarms of literate young men and women reaching adult years. The 1963 census showed that out of a total population of 10,590.060, only 3,199,730 of both sexes were 'gainfully employed.'"

[14] *Lanka Komiunist Pakshaye Wyawastha Malawa,* Colombo, Lanka Press, p. 1 and amendments, pp. 5-8.

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tect the rights of the working class and advance the national culture;

3) Aid to the world movement for international peace and genuine disarmament;

4) Collaboration with other fraternal Communist nations and parties in the advancement of peace and national liberation.

The author's conversations with party leaders and his analysis of the party press and Central Committee and party congress resolutions over the past two years would indicate a more specific program, dependent on fluctuating tactical requirements. Its essential features are:

1) Consistent work toward the creation of a national front of all "progressive forces" and toward the completion of the "national democratic" revolution in Ceylon, recognizing that, given the weakness of the capitalist forces, "there is no need for a Communist revolution by force and bloodshed";[15]

2) Establishment of a republic independent of the Commonwealth, promotion of "genuinely democratic" organs of local government, abolition of the Senate "and other colonial institutions";

3) Nationalization of all banks, the larger (foreign-owned) tea, rubber, and other estate enterprises, and the import-export trade;

4) Repeal of all special security powers of the government under prevailing "state of emergency" regulations, granting of full rights of political activity for civil servants;[16]

5) Resolute opposition to all caste discrimination and the evils of "untouchability," [17]

6) Promotion of cooperative services for the small peasant, and of rural industrial development; elimination of excessive charges for irrigation water and tractor rentals;

7) Consistent struggle for better living conditions for the workers, reduction in interest rates on bank loans;

8) Promotion of a "scientific and democratic" national culture, free from dependence on the English language and on British "imperialist" educational institutions; accordingly, a more rapid transition to the use of Sinhalese as the official language;

9) Readiness to accept loans and assistance (but not private foreign capital) from all countries, provided the economic integrity of Ceylon is not endangered (in general there should be closer trade ties with the socialist-bloc countries);

10) Solidarity with the "struggle for national survival" of the Democratic Republic of Vietnam against "US imperialism" and its "stooges" in Saigon; resolute condemnation of and opposition to the "splitters in the international working-class movement" (*i.e.*, Communist China).

Although Sanmugathasan and other Peking-oriented dissidents have had their own party organization ever since their expulsion by Keuneman in October 1963, they have been relatively slow in developing a distinctive program. Even today the pro-Peking party retains the same constitution as the pro-Moscow party, minus the amendments adopted at the pro-Moscow party's Seventh Congress in April 1964. Therefore, as to such general or long-term objectives as the struggle against colonialism and neo-colonialism, and the establishment of socialism as a transitional stage to a Communist society in Ceylon, the two CPC's are formally in complete accord. And it will be indicated shortly that even where more immediate and specific Ceylonese objectives are concerned, there are broad areas of agreement.

The pro-Chinese CPC, at a sparsely attended and little-publicized Eighth Party Congress of its own in early June 1965, adopted an "Immediate Program of the Ceylonese Revolution." This "Immediate Program" was preceded by the acceptance of a Central Committee report which noted (1) that the concept of peaceful co-existence is "not an absolute"; (2) that "modern revisionists" have overemphasized the significance of "peaceful competition" between different economic systems; and (3) that the "aggressive revolutionary force of the proletariat is a universal law" calling for the destruction of all "reactionary regimes," particularly the US.[18] These concepts faithfully reflect Sanmu-

[15] The pro-Moscow party's repudiation of violence as a means to power was recently stressed again by its chairman, Dr. S. A. Wickremasinghe. See *The Times of Ceylon*, July 7, 1967.

[16] Under the provisions of the Public Security Act of 1958, the government is empowered to declare a state of emergency during which strikes, public gatherings and demonstrations can be declared illegal, preventive political arrests made, and strict censorship imposed. Since the communal disturbances of January 1966, the state of emergency has again been in force, except for the censorship provision.

[17] The Prevention of Social Disabilities Act of 1957 prohibits discrimination by public officials or religious leaders against any individual for ethnic or religious reasons, but both CPC's assert that the Act is poorly enforced.

[18] *Lanka Komiunist Pakshaye Atawana Sammelana Varaya Piligath Madhyama Karaka Sabhawe Varthwa*, Colombo, Kamkaruwa Press, 1965, pp. 8-9, 12. (Hereafter, *Lanka Komiunist Pakshaye Atawana.*)

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gathasan's often-repeated Maoist assertion that it is really the bourgeoisie, and not the working class, that determines whether a peaceful transition to socialism can be made: "inasmuch as no ruling class in the world has ever abdicated power in deference to . . . democratic institutions, the working class has always been forced to resort to revolutionary violence to counteract the counterrevolutionary violence of the bourgeoisie."[19] According to its "Immediate Program," some of the pro-Peking party's basic objectives are:[20]

1) Abolition of all ties with the Commonwealth, elimination of the Senate and appointed lower house members (there are six of these, representing minorities), and of all other "anti-democratic organs"; reform of the Constitution and assurance of "elementary rights" for the people;

2) Nationalization of all British and other foreign-owned banks, estates, and industries, as well as the import-export sector; acceptance of aid only from those countries that respect Ceylon's freedom;

3) Implementation of a practical and efficient national development plan, including construction of hydro-electric facilities; pooling and redistribution of state land to the landless; limitation of the size of holdings and of the influence of "feudal landlords," and improvement of the irrigation system that has been "ruined" by the British estates;

4) Development of an extensive agricultural subsidy and price-support plan, and of new agricultural production methods; cultivation of up-country jungle areas;

5) Encouragement of a "democratic national educational system" and national culture along with the elimination of "imperialist" educational influence, particularly from Britain and the US;

6) Protection of workers' interests through the establishment of workers' councils, and expansion of workers' benefits (housing and medical services) through proper planning;

7) Support for all "national liberation" struggles against US "imperialism" and against feudal and "neo-colonial" regimes; pursuit of an active, independent, but "peace-loving" foreign policy.

Apart from the important tactical question as to the use of revolutionary violence, there is little substantive difference between these seven objectives and those of the Moscow-oriented CPC. Moreover, on the three most nettlesome issues of Ceylonese politics since the country became independent —the role of the Sinhalese and Tamil languages, the problem of the more than one million stateless Tamil-speaking Indians, and the relative eminence to be accorded the Buddhist religion—both CPC's are in general accord, as are virtually all other political parties in the country.[21] For example, neither of the two Communist parties is ready to abandon the principle of eventual recognition of Sinhalese as the nation's sole official language, while both make allowance for Tamil as a language to be employed in public "administration" and—to a certain extent—in educational institutions. Nor are they opposed to granting Ceylonese citizenship to most of the stateless Indians, while at the same time seeking to allay the fears of the Sinhalese majority as much as possible.[22] Though both CPC's are, of course, avowedly secular, they are also mindful that Buddhism is not only the religion of the overwhelming majority of the people but is very closely interwoven with the country's history and culture. They know too that failure to recognize the implicit political powers of the Sangha (that is, the Buddhist leadership community) would be political suicide, although—as is the case with the other principal Ceylonese parties—Communist recognition of Buddhism does not imply that it should be made the official state religion or that freedom of worship should be denied to other faiths. While much of the older Sangha leadership is politically conservative, much of the younger Buddhist clergy is not. As in Burma and Japan, attempts at philosophical or pragmatic syntheses of Buddhism and variants of Marxism find a respectful audience,[23] and both parties have *bhikkus* (*i.e.*, Buddhist monks) among their avowed supporters. Among the more prominent of them, for example, was the Reverend Udakendawela Saranankara Thero, a

[19] N. Sanmugathasan, *How Can the Working Class Achieve Power?*, Colombo, Worker Publications, 1963, p. 31.

[20] *Lanka Komiunist Pakshaye Atawana*, pp. 75-78.

[21] On this convergence of most major Ceylonese parties, see the perceptive analysis of Dr. A. Jeyaratnam Wilson, "Factors in the Working of Parliamentary Institutions in Ceylon," *Young Socialist* (Colombo), Vol. IV, No. 1, 1967, pp. 13-23.

[22] Both CPC's opposed the Indo-Ceylon Agreement (Implementation) Bill, which passed the Ceylonese parliament in June and July 1967. Under the bill, some 300,000 of the stateless Indians will be given Ceylonese citizenship, 525,000 will acquire Indian citizenship, and the status of the remainder will be settled through further negotiations. Communist opposition to the bill was wholly partisan in nature (*e.g.*, Keuneman accused the government of being unwilling and financially unable to implement the measure) and did not bear on the principle of providing citizenship to stateless Indians. Animosity between Tamils and the 9 million Sinhalese majority population group is of long standing, and on many occasions, particularly in May 1958, erupted into prolonged and bloody riots.

[23] *E.g.*, Kotagama Vachissara Thero and Victor de Silva, *Bubbhagama ha Maxuadaya*, Colombo, Kamkaruwa Press, 1966(?).

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Lenin Peace Prize winner, who died in November 1966. Thero was a longtime pro-Moscow CPC Central Committee member and editor of the party's "cultural affairs" monthly, *Nava Lokaya* ("New World"). And in at least one Buddhist-connected Ceylonese university, the author chanced upon a "Marxist study group" composed almost wholly of *bhikkus* avidly studying the "Quotations from the Works of Chairman Mao Tse-tung."

Tactics and Theory

Yet despite similarities in program, there remain important tactical and theoretical differences between the two CPC organizations. For example, while in recent months both CPC's have increased their efforts to win a following among low-caste Indian Tamils (who, as was said, are restive under ancient, religiously-sanctioned social discrimination), the pro-Peking party's campaign has been much more aggressive. The pro-Moscow CPC, committed to a united front with a strongly pro-Sinhalese SLFP, has tended to limit itself to formal Politburo denunciations of the evils of "untouchability" and to various declarations of support for the radical, Communist-infiltrated All-Ceylon Minority Tamil United Front (ACMTUF). While it is true that the pro-Moscow CPC has worked with the LSSP—as well as independently—in setting up separate, Communist-oriented Tamil youth organizations,[24] and while Keuneman has been careful to emphasize the importance of providing "adequate safeguards" to minority groups such as the Tamils, he has made it clear that "majority rights" (*i.e.*, of the Sinhalese) have to be "honored first before settling minority problems." [25]

The pro-Peking party, meanwhile, is making a partly successful attempt to displace pro-Moscow party influence in the ACMTUF. In October 1966, for example, some 500 pro-Peking CPC cadres and ACMTUF sympathizers clashed with police in Chunnakam in a demonstration connected with their "End Casteism" campaign. At a meeting before the demonstration, Sanmugathasan emphasized that his party believed in "finding solutions" through "revolution" and not just through peaceful means, and urged his Tamil audience "to get together in thousands" and march. Sanmugathasan admitted to the author that the second secretary of the Chinese embassy in Ceylon had attended the meeting, but he denied a press report that the embassy official had participated in the demonstration.[26] In the course of 1967, the Peking-oriented CPC appeared to be having considerable success in organizing a new Tamil "Harijan" (*i.e.*, outcaste) association in Northern Province. At the same time, the party's Tamil estate workers' front, the three-thousand member Ceylon Plantation Workers' Union affiliated with the CTUF, was beginning to draw followers away from more conservative labor groups, and from the pro-Moscow party's estate workers' organization. Alarmed over the pro-Peking party's recent organizational success, the pro-Moscow CPC has repeatedly attacked the "splitters" of the Sanmugathasan "group" for "trying to precipitate matters" by following policies that "will lead to a direct clash" between low and higher-caste Tamils.[27]

Agrarian Policy

Another issue dividing the two CPC's is that of agrarian policy in general and of policy towards the peasantry in particular. Here, however, the results of the pro-Peking party's greater militancy have thus far been much less apparent. For one thing, Ceylon's arable land is nearly all in the hands of numerous smallholders, with average lots amounting to about three-fourths of an acre and only 4 percent of these holdings exceeding five acres. In the words of one noted Ceylonese Marxist, "there is plainly no basis here for any kind of struggle between rich owners and the rural poor." [28] This is not to say that large estates and feudally-

[24] *Ceylon Daily News*, Sept. 25, 1966; *The Times of Ceylon*, May 3, 1967; *Forward*, March 2, 1967.

[25] *The Ceylon Observer*, Nov. 6, 1966. The pro-Moscow CPC, perhaps to mask the results of its own relative restraint as to the caste question, has emphasized that the plight of the low-caste Tamils is due to the present UNP government's unconcern in enforcing anti-discrimination legislation. *Cf. Aththa* (Colombo), July 6, 1967. *Aththa* is the pro-Moscow party's chief Sinhalese-language daily.

[26] *Ceylon Daily News*, Oct. 23 and 30, 1966, and *Ceylon Daily Mirror*, Oct. 22, 1966.

[27] *Forward*, July 13, 1967.

[28] Hector Abhayavardhana, "Categories of Left Thinking in Ceylon," *Community Pamphlet No. 4, A Miscellany*, Colombo, Community Institute, 1963, p. 51. See also W. Howard Wriggins, *Ceylon: Dilemmas of a New Nation*, Princeton, Princeton University Press, 1960, p. 59. On the other hand, the very smallness of agricultural holdings, combined with poor cultivation methods, is a major contributing factor in existing patterns of rural poverty, as Ceylonese Marxists have pointed out (see, *e.g.*, S. Selvanayagam, "Agrarian Problems and Prospects of Developing the Jaffna Region of Ceylon," *Young Socialist*, Vol. IV, No. 2, May, 1967, pp. 55-60.

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structured tenant relationships are wholly absent. In the heartland of the ancient Sinhalese kings, around Kandy and in the Kurunegala district in particular, among the traditional aristocracy (*nilames*) and their descendants, large holdings are not uncommon. In addition, some Buddhist monasteries own hundreds of acres that are worked by tenants. Although large estates cover only about 8% of the available arable land and vast tracts of state-owned jungle and uncultivated land are still available, Ceylon's rapidly growing population, especially in the southern and central districts, is beginning to press up against estate holdings and available arable space. Thus, problems of tenancy and rural indebtedness *do* exist, and on a large scale at that, and a modest base for Communist peasant recruitment *is* available. Nevertheless, the pro-Moscow CPC has been reluctant to work among the peasantry, and much of its so-called "peasant" following, on closer inspection, consists of petty rural officials or village artisans whose active agricultural pursuits seem to be, at best, of a part-time nature. To some extent, this reluctance is due to the party's traditional reliance on and greater confidence in the support of the urban proletariat; in part it is due to the party's unwillingness to risk recruitment conflicts with its chief united front partner, the SLFP (which directs much of its appeal to the rural Sinhalese). There is no special pro-Moscow CPC publication for the peasantry (such as the pro-Peking CPC has), and while party officials have alluded to their "Ceylon Peasants' Association," they were unwilling or unable to inform the author of the location of its headquarters, or of the exact nature of its program. One Central Committee member, after prolonged questioning, admitted that the party's peasant front was being "reorganized." Given the scope of the government's agricultural extension work, the pro-Moscow party's demands for more peasant cooperatives and a lowering of irrigation-water rates have a perfunctory and unconvincing quality, and Keuneman's frequent attacks on the failure of the government's food production drive are vitiated by his apparent inability to present meaningful alternatives.

In line with Maoist dogma, the pro-Peking CPC holds that the peasants "are the most reliable friends of the proletariat" and that they support the latter in its leading revolutionary role.[29] Ariyawansa Gunasekara, the pro-Peking party's chief theoretician on peasant affairs and chairman of the party's All-Ceylon Peasants' Congress, has attempted to provide some historical and tactical perspectives for current policies toward the peasant.[30] According to Gunasekara, Ceylon's pre-colonial agriculture attained a high level of development, with emphasis on the collective needs of producers and consumers. But with the coming of the Westerners, the Sinhalese peasants were "robbed" of their land, and, as the "capitalist" system made progressive inroads, the ancient and balanced irrigation system established by the Sinhalese kings was destroyed. Floods became common, but at the same time much land was left uncultivated because of a scarcity of water. This is why, according to Gunasekara, as much as 40% of the rural population is now landless, and a million peasants belong to "the most poverty-stricken strata" of society.

The All-Ceylon Peasants' Congress (ACPC) held its first national conference in Anuradhapura on September 20, 1966, and its spokesmen now claim "5,000 determined followers." The Congress has striven to push its publications and organize seminars, and it even held a "people's poetry" contest in preparation for its first conference. Representatives of the ACPC told the author that its publication, "The Path to Emancipation Through the Unity of Peasants and Laborers, Explained in Verse," for a time even outsold *Kamkaruwa*, the pro-Peking party's Sinhalese daily.[31] Furthermore, in the past year, ACPC representatives have been prominently in attendance wherever the pro-Peking party has mounted a demonstration or organized a mass meeting. Though still preoccupied with organizational questions and with overcoming the influence of the government's extensive—though often poorly functioning—rural credit and welfare services, the ACPC's appeal has extended particularly to the growing numbers of rural unemployed and underemployed, and to landless agricultural laborers. At the same time, it has supported "discussion" and "protest" meetings against the cut in consumer rice subsidies and the rise in prices. But the pro-Peking CPC still seems some time away from being able to form a broadly-based peasant movement capable of bringing pressure to bear on the govern-

[29] *Lanka Komiunist Pakshaye Atawana*, p. 13.

[30] See Ariyawansa Gunasekara, *Rajarata Govi Satane Upatha*, Colombo, Kamkaruwa Press, 1966, and the same author's "Lankawe Govi Satana," *Govi Handa* (Colombo), Vol. I, No. 2, 1966, pp. 1-4. *Govi Handa* (The Farmers' Voice) is the pro-Peking party's principal peasant publication.

[31] *Govi Kamkaru Samagiya Tulin Vimuktyiye Peramaga Rasakaviyen*, Colombo, Kamkaruwa Press, 1966.

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ment, although it is undoubtedly doing much more in this direction than the pro-Moscow CPC.

Foreign Policy

Foreign policy is a third area of contrast between the two CPC's. To be sure, on such questions as the alleged evils of American "imperialist" influence in Ceylonese affairs, there is complete agreement. The return of the US Peace Corps to Ceylon provided the pro-Peking party's organs with an opportunity for unleashing an anti-American barrage equalled in intensity only by the pro-Moscow party's continuing denunciations of the CIA.[32] And attacks on "Israel, the European state planted by Anglo-American imperialism as a dagger in the heart of the Arab states," as one pro-Peking publication put it, have come from both the Moscow and the Peking camps.[33] But there is no denying that foreign policy questions get relatively far greater attention in the pro-Peking media: indeed, Sanmugathasan's personal preoccupation with "international matters" was given as the reason why four unions recently left the CTUF.[34] In the author's estimate, more than a third of the space in both of the pro-Peking party's principal organs—its Sinhalese daily and its English weekly—is devoted to extoling the greatness of People's China, to reprinting or paraphrasing long excerpts from Mao Tse-tung's thought, or to attacking Tito, the Soviet "revisionists," and the latest targets of Peking's wrath, such as the Ne Win government in Burma. Conversely, events in China, particularly since the "Great Proletarian Cultural Revolution," are subject to continuously critical and occasionally even scathing analysis in the pro-Moscow party's organs.[35]

Although both CPC's subscribe in theory to the traditional organizational structure of Communist parties, only the pro-Moscow party follows anything like the conventional pattern. Its day-to-day control radiates from a secretary general (the party chairmanship is much less important) and a 35-member Central Committee to provincial and district organizations. A National Congress ordinarily meets every two years but can be postponed. The leading members of the Central Committee, heavily overshadowed by Keuneman and Wickremasinghe, are: the party's deputy secretary and trade union troubleshooter, L. W. Panditha; its "national organizer" (and chief disciplinarian), V. A. Samarawickrema; and K. P. de Silva, who is in charge of the party's education department.

Mainly because of its relatively small size, the pro-Peking organization has no formal chairman or secretary general. Decisions are made "by our Central Committee as a whole," as Sanmugathasan put it to this writer. This Central Committee fluctuates in size from 12 to 15 members, but actual executive powers rest with a top few. Next to Sanmugathasan, the principal Central Committee members are: Watson Fernando, chairman of the Ceylonese Trade Union Federation; the earlier-named Ariyawansa Gunasekara of the All-Ceylon Peasants' Congress; Premalal Kumarasiri, editor of the party's principal theoretical bulletin, *Komiunist;* and M. C. M. Shafi, assistant general secretary of the CTUF and considered to be Sanmugathasan's *alter ego*.

Though both CPC's claim to have provincial organizations throughout Ceylon, only in Colombo, Jaffna, Trincomalee, Galle, and some of the larger inland towns can party organization be said to be reasonably well developed. In fact, in many districts the local organization of the CFTU or CTUF doubles as the party organization. The explanation for this perfunctory local organization is that both parties place all emphasis on the second word in "democratic centralism." For example, the pro-Moscow party's day-to-day nationwide administration is largely in the hands of a Central Administrative Board. With functions reminiscent of party "control commissions" elsewhere, the Board supervises all membership and financial records and has the power to recommend expulsion.

Front Organizations

In an important way, both CPC's function as a kind of holding corporation for subsidiary but functionally highly important organizations. For example, in the three or four Colombo constituencies from which the Communist movement has been able to elect candidates to parliament since 1947, indi-

[32] *Forward*, July 5, and 13, 1967, and *Kamkaruwa* (Colombo), June 21, 1967.

[33] *Red Flag* (Colombo), June 7, 1967. For the pro-Moscow party's view, see *Forward*, June 21, 1967. See also the recent publication of the "Afro-Asian Solidarity Association of Ceylon," a pro-Peking front organization: *The Arab World and Israel: US-UK-Israel Collaboration and Soviet Perfidy*, Colombo, Swadeshi Printers, 1966.

[34] *The Ceylon Observer*, July 9, 1967.

[35] See, *e.g.*, Pieter Keuneman, "On Recent Events in China," *Forward*, Sept. 12, 1966, and E. S. Ratnaweera, "Cheena Dabidi Viplavaya," *Nava Lokaya* (Colombo), March 1967, pp. 145-149.

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vidual organizations have developed around the successful Communist MPs. Such organizations are predicated upon patronage and other reciprocal obligations that extend well beyond partisan political lines. Keuneman's personal following—developed through his infinite accessibility and readiness to render service—has assured his steady election from Colombo's Central District as much as formal Communist organizational support. Of course, there are also conventional party fronts, particularly the pro-Moscow CFTU and the pro-Peking CTUF. These trade union federations lead lives of their own. They are recruiting grounds and sources of strength for both CPC's, but are by no means wholly dominated by them.[36] Nevertheless, the trade unions do much to extend Communist influence. For example, while the formal membership of the pro-Peking CPC may be small, its influence, expressed through widening concentric circles of front appeal and support, is much larger. This is particularly true in the highly bureaucratized atmosphere of Ceylonese society, with its plethora of special, independent, or semi-autonomous interest groups competing for public attention. Each CPC therefore, has sought to develop a pattern of fronts that will tap this organizational reservoir.

Next to the CFTU, the pro-Moscow party's principal fronts are the 10,000-member *Lanka Kantha Peramuna* (Ceylonese Women's Association) founded in 1961, and the 8,000-member All-Ceylon Federation of Communist and Progressive Youth Leagues, established in 1945. Loosely organized in provincial and district branches, with leaders usually incorporated in the party's Central and Provincial Committees, these fronts are important agitational arms of the party. For example, they mobilize protests against the high cost of living, support striking unions, and dramatize international developments (*e.g.*, the demonstration, in November 1967, of 3,000 Communist Youth League members in front of the Indonesian Embassy to protest the death sentence pronounced upon former Indonesian Foreign Minister Subandrio). Fronts for both women and young people have spawned other more ephemeral fronts, such as the Ceylon Peace Council, or more durable ones, such as the new youth and young adult leagues among minority Tamils in the northern part of the island.

In addition to the previously-mentioned CTUF and ACPC, the pro-Peking party relies heavily on its Ceylonese Youth League Federation of about 1,200 members, but its women's association is still in embryo form and has yet to hold its first organizational meeting. Both CPC's compete for influence in such radical anti-caste Tamil groups as the previously-mentioned ACMTUF and the Islamic Socialist Front. The latter group was formed in October 1966 by the former SLFP Minister of Education, Badiudin Mahmud, in an effort to win for his party the loyalties of Ceylon's 700,000-member and generally conservative Muslim community. Thus far, the Islamic Socialist Front's vague Marxist leanings have brought it the support of only a few thousand of the more radical and alienated Muslim proletariat. But both CPC's appear to be alert to the tactical opportunity that the ISF offers, with the pro-Moscow party also anxious to enlarge its influence upon its frequently distant united front partner, the SLFP.

Finally, it may be noted that both CPC's, despite their relatively small size, have an extensive publications apparatus. Each party publishes a Sinhalese daily and an English weekly. The pro-Peking CPC also publishes a Tamil-language daily, *Tolilali*, (which is substantially the same as its Sinhalese paper *Kamkaruwa*—both names mean "Worker") and recently has been pushing its Tamil "cultural and general affairs" monthly, *Vasantham*. The pro-Moscow party's chief Tamil-language publication, *Desabhimani* ("Patriot"), is a weekly. In addition, both wings have their own party theoretical monthlies, with the pro-Moscow party also relying heavily on its Sinhalese edition of the *World Marxist Review* (*Problems of Peace and Socialism*). The pro-Moscow party has had, however, more regularly-appearing front publications, such as *Tarunahanda* ("Voice of Youth"), the previously-mentioned *Nava Lokaya* ("New World"), and quasi-instructional weeklies such as *Mawbima* ("Motherland"), which carry general as well as party news. Moreover, the pro-Moscow party's Sinhalese daily *Aththa* ("Truth"), with an estimated circulation of over 50,000, is one of the country's most widely-read newspapers. Its brash, gossipy, but always crisp reporting—which lays bare the seemingly endless tribulations and foibles of Ceylon's heavily bureaucratized government and economy—has won it a wide interpartisan readership and turned it into a major source of party revenue as well.

[36] For Communist appreciations of these two labor federations, the first by the pro-Moscow party, the second by the pro-Peking party, see *The CFTU and the Working Class Movement*, published by the Ceylonese Federation of Trade Unions, Colombo, Aug. 1966, with a foreword by Dr. S. A. Wickremasinghe and *Lanka Kamkaru Samithi Sammelanaya: 25 Wasaraka Praudha Warthawa*, Colombo, Lanka Kamkaru Samithi Sammelanaya, 1965.

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Social Considerations

Broad differences in the educational and social backgrounds of the Ceylonese Communist leaders may have contributed to the split between them and to the emergence of rival parties, front organizations, and publications. As for the pro-Moscow leaders, both Keuneman and Wickremasinghe are English-educated and representative of the older elite elements of Ceylonese society. Quite status-conscious in a recently colonial country whose social structure continues in many respects unchanged, they insist on exclusive *de facto* control over their party. Keuneman, particularly, for all his avowed adherence to political egalitarianism, gave the author the strong impression of taking a highly personal and almost aristocratic view of his position at the top of the party. Over the years, he has clearly used his authority to develop a potent personal following among men in key party positions, and this loyal retinue proved to be of decisive advantage in combating the pro-Peking dissidents in 1963-64. His pro-European education and leanings may explain the fact that Keuneman never developed significant relations with the Chinese Communist leaders, even in the early and middle 1950's.[37] It seems that he and Wickremasinghe share a common Ceylonese feeling that China is somehow too remote and that her recent political experiences have no relevance for Ceylon.

The Ceylon-educated Sanmugathasan, though of Tamil origin, spent most of his adult life as a trade union organizer and was much closer to the rank and file of the party and its Sinhalese-educated members, particularly those in the CTUF in which he had held office for many years. His appeal, and that of the other Peking-oriented dissidents, has seemed from the start to have a much more "Asian" or indigenously Ceylonese cast than that of Keuneman and Wickremasinghe. The pro-Moscow leaders have, on the other hand, tended to find support in the English-educated segments of the Communist movement, although significant elements of the low-country Sinhalese proletariat have always remained loyal to the pro-Moscow CPC.[38]

This intertwining of social and educational backgrounds with political preference in the Communist leadership should not be overstressed, but it undoubtedly played some role in the eventual polarization of party factions as the Sino-Soviet conflict matured. And against this background, a clash of personal ambitions cannot be altogether overlooked. It is difficult to ignore informed local opinion that leaders of the pro-Peking faction, dissatisfied with the personal dominance of the party by Keuneman and his cohorts, chose to revolt less because of Maoist conviction than for reasons of personal aggrandizement.

Sino-Soviet Rift

Still, when all this has been noted, the Sino-Soviet dispute provided grounds enough for a serious division in the ranks of the CPC. Before the split, and as early as the 22nd Congress of the CPSU in 1961, the Ceylonese party unfailingly supported the Soviet Union's criticisms of China and Albania and expressed confidence in the Soviet position on Stalinism and peaceful coexistence. And such was still the case on September 26, 1963, when the CPC continued to attack China and to defend the "outstanding role" of the CPSU in developing the "world socialist" system."[39] A month later, however, Sanmugathasan and his adherents chose to have their own statement widely disseminated by the Peking media. In a sharp reply to the Central Committee, they made slashing attacks on Khrushchev's "revisionism," "adventurism," and "capitulationism." Like Mao, they claimed that Asia, Africa, and Latin America had become the "storm centers of world revolution," and that "one-sided emphasis" on a peaceful transition to socialism—without a corresponding revolutionary readiness to resort to non-peaceful means—was dangerously wrong.[40] Upon publication of these "heresies" on October 27, 1963, Sanmugathasan and most of his cohorts were formally expelled from the party.

In subsequent months, Sanmugathasan kept reaffirming that "violent revolution is a universal law of the proletarian revolution" and that "the peasants are the most dependable allies of the proletariat."

[37] When asked whether he believed that Ceylon, like Burma and India, might in the near future be in for a siege of Chinese Communist pressures, Minister of State J. R. Jayawardene, the acknowledged "strong man" of the present Dudley Senanayake government, replied to the author that Ceylon was "too far away" from Peking and "not tactically important." Interview with J. R. Jayawardene, Colombo, July 14, 1967.

[38] Compare with the analysis of the CPC split in the *Ceylon Daily News*, July 6, 1963.

[39] Central Committee, Ceylonese Communist Party, *On Questions of the International Communist Movement*, Colombo, Lanka Press, 1963, pp. 20-21, and passim.

[40] The full text of the statement appears in *Peking Review*, Nov. 29, 1963, pp. 9-16.

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His faction's publications laid redoubled stress on the upsurge of "revolutionary change" in Asia, Africa and Latin America,[41] and dissension accordingly spread to the provincial and district party organizations. The intraparty conflict was sharpened by the effect of Sanmugathasan's charge that the CPC's existing Central Committee, which had expelled him, was in fact illegal. He emphasized that no party congress had been held at the end of 1962 to legalize the Committee's existence, as required by the party constitution. In response, Keuneman, backed by most of the Central Committee and lower committees, began a purge of lower-echelon party leaders. Most of the CTUF as well as sizable segments of the youth and women's front organizations at first backed Sanmugathasan. But by April 1964, at the pro-Moscow party's Seventh Congress, Keuneman claimed that "over 70%" of the CTUF had by then "repudiated the splitters" and again "joined hands with us."[42] This claim was greatly exaggerated, though the pro-Peking party saw its membership take a notable drop in 1964-65. Its membership was highest when it held its own separate Seventh Congress in January 1964, at which it resolved to "rescue the Communist Party from the mire of revisionism."[43] Thereafter, most of Sanmugathasan's fellow rebels on the Central Committee, as well as lower-echelon leaders who had joined him, began to trickle back to the pro-Moscow organization or left the movement altogether. But a hard core of CTUF and youth front supporters stayed with him, and in the course of 1966-67 the pro-Peking CPC moved forward with new appeals to the low-caste Tamil community, the estate workers, the tenants, and the landless rural proletariat. Thus, the pro-Peking dissidents had not been able to bring down the well-entrenched Keuneman leadership and capture control of the party, but neither has an accelerating attrition "to the point of disappearance" occurred in the pro-Peking party, as confidently predicted by Keuneman and Wickremasinghe. Indeed, the viability of both CPC's is not in doubt for the foreseeable future.

[41] N. Sanmugathasan, *The Lessons of the October Revolution*, Colombo, Worker Publishers, 1964, p. 29, and an editorial "Jatik Uimuktiye Viplavawadi Dhajaya Ihalin Osawamu," *Komiunist* (Colombo), No. 3, June 1964, pp. 1-18. *Komiunist* is the pro-Peking party's chief theoretical journal.

[42] Pieter Keuneman, *Under the Banner of Unity: Report of the Seventh Congress of the Ceylonese Communist Party*, Colombo, Lanka Press, 1964, p. 46.

[43] *The Times of Ceylon*, Jan. 20, 1964. See also *Peking Review*, Jan. 31, 1964, pp. 18-19.

The Chinese Intruder

One reason for the pro-Peking party's continuing existence may well be the assistance given to it by People's China through its Colombo embassy. In conversation with the author, Sanmugathasan denied that such assistance had ever been received, directly or indirectly, by his group. But informed Ceylonese observers are virtually unanimous in believing otherwise. One is also mindful that, elsewhere in Asia (*e.g.*, in Indonesia), Peking has directly aided struggling Communist parties. Furthermore, the non-Communist Ceylonese press, quoting government sources, has reported what appears to be a considerable Communist Chinese intrusion into domestic Ceylonese affairs, including the operation of an extensive spy network recently discovered by the Ceylonese police, the previously-mentioned participation of the Peking Embassy's Second Secretary in the anti-caste demonstration in Chunnakam and Jaffna, and the distribution by the Peking embassy of anti-government propaganda material during the recent parliamentary by-elections.[44]

In November 1966, the Ceylonese government announced new security measures to counter the alleged subversive activities of local Communist embassies, citing in this connection "evidence that large amounts of foreign currency are being used for various types of propagandist and subversive activities." The government at the same time announced that it would probe the sources of income of Ceylonese Communists, especially those of the pro-Peking CPC.[45] On May 1, 1967, the Ceylonese government announced a formal ban on the import of propaganda material from Communist countries, declaring that henceforth any foreign literature likely to create a "disturbance" would be confiscated. In line with this measure, postal authorities reportedly destroyed 800 bags of Communist literature, including copies of the *Peking Review*, *China Reconstructs*, and *The Thought of Mao Tse-tung*.[46] Nevertheless, toward the close of July 1967, the author had no difficulty in purchasing the latest issues of the *Peking Review* and other publications put out by Peking's Foreign Languages Press—either at the pro-Peking party's small bookshop in Colombo, or from vendors in smaller interior towns

[44] *Ceylon Daily Mirror*, Sept. 12 and Oct. 31, 1966; *Ceylon Daily News*, Oct. 30, 1966.

[45] *Sun* (Colombo), Nov. 1, 1966.

[46] *Times Weekender* (Colombo), May 1, 1967.

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like Kandy. But the Ceylonese authorities have kept on trying to stanch the flow of such propaganda material, much to Peking's annoyance. In mid-August, for example, they detained a Chinese vessel and confiscated copies of Chairman Mao's works and other "disturbing" literature.

Although the pro-Moscow CPC lavishes fulsome praise on various Soviet achievements, the popular Ceylonese impression—rightly or wrongly—is that it is much more independent of the Soviet party than the pro-Peking CPC is of the Chinese Communists. No doubt the pro-Moscow party's close united front identification with the SLFP and LSSP has encouraged such an impression, as has its repudiation of violence and its consistent attempts to identify with the national parliamentary process. Conversely, the pro-Peking's party's slavish echoing of every nuance and tactical turn of Maoism on the grounds that Mao is "the greatest living Marxist-Leninist" [47]—without providing sufficient indication of the practical relevance of Chinese Communist doctrines to specific Ceylonese problems—tends to encourage the impression that the pro-Peking party is little more than an alien sect of fanatics.

At the Crossroads

From the point of view of the pro-Peking party, its rival CPC has sold out to "unprincipled revisionism." But the fact remains that the pro-Peking party's formal program for Ceylon is, as has been indicated, largely the same as that of its opponents. The main difference between them is that the pro-Moscow CPC has more influence in national affairs. It is precisely through the pro-Moscow party's national front line that it can make, with significant impact, its continuously caustic comments on common "bread and butter" issues, such as the government's reduction of the consumer's rice subsidy.[48] It is also through united front tactics and interparty cooperation within the opposition that this party has continued to make modest "rice roots" gains, as in the recent town council elections in Urumpirai, where it managed to get two councillors elected.

But there is another aspect of the contemporary Ceylonese political scene which can best be exploited by the militantly revolutionary pro-Peking party, and that is the widening popular dissatisfaction with Ceylon's parliamentary government. The people are impatient with the ceaseless jockeying for power among the parties while the nation's pressing economic ills are largely disregarded. The conviction that somehow the "party system of government in Ceylon" has "failed miserably," as one prominent non-Communist trade union leader recently put it,[49] is shared in many politically conscious and articulate circles. (And because of its national front line, the pro-Moscow CPC cannot escape the stigma that participation in parliamentary politics is acquiring.) Frequent *fin de siècle* editorials warn that parliamentary government is not likely to continue in Ceylon if the present UNP government of Premier Dudley Senanayake fails to get the nation on the road to meaningful development. At the same time, there is widespread speculation—both encouraged and exploited in the Communist press—that the military, having failed in previous coup attempts, will eventually seize power. Some observers blame this discouraging situation on Ceylon's failure to exercise the full prerogatives of sovereignty, arguing that, even though formal independence has been attained, the "unaccomplished task" of Ceylon's "Democratic Revolution" is still "writ large on the face of the socio-economic structure." According to this view, British capital must be eliminated, caste and minority discrimination ended, and speedy economic development undertaken.[50] It is thus a mood of impatience and frustration, of national accomplishment and personal advancement too long denied, that is endowing Ceylon's young Maoists with an *élan* which, however limited, Keuneman's followers cannot really match. It is clear that the shape of future developments in the rift between Ceylon's Communists will largely depend on whether or not solutions can be found to the larger political and economic crises which now confront the country.

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[47] *Peking Review*, Sept. 9, 1966.

[48] The pro-Moscow CP made a typical charge in December, 1966: that the government did not appear to have sufficient exchange for importing rice so that the consumer rice subsidy could be maintained. Meanwhile, however, shops were selling "224 varieties and brands of luxury cosmetics" and "83 varieties of foreign liquors and spirits." In June 1967, the party took the government to task again for permitting the import of expensive wearing apparel. *Forward*, Dec. 25, 1966, and *Aththa*, June 28, 1967.

[49] *The Times of Ceylon*, June 30, 1967.

[50] Edmund Samarakkody, "Dynamics of the Ceylon Revolution," *Young Socialist*, Vol. III, No. 2, 1964, p. 69. Early in 1962, a plot by military and police officers to overthrow the Sirimavo Bandaranaike government was discovered, and early in 1966 Army Commander Major General Richard Undugam was reported to have been involved in another abortive coup. For Communist reaction to these developments and revelations of an allegedly subversive "Council of Colonels," see, *e.g.*, Pieter Keuneman, *The Politics of the Coup*, Colombo, Ceylon Communist Party. 1962, and *Forward*, June 14, 1967.

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Politics and Policies in the USSR

ALEXANDER DALLIN AND A. F. WESTIN, EDS.: *Politics in the Soviet Union: Seven Cases.*
New York, Harcourt, Brace and World, 1966.
PETER H. JUVILER AND HENRY W. MORTON, EDS.: *Soviet Policy-Making: Studies of Communism in Transition.*
New York, Frederick A. Praeger, 1967.

Reviewed by Peter Reddaway

SURELY A COUNTRY as varied in race and culture and as huge as the Soviet Union, can only be governed with any real cohesion and stability from one of two bases: that of a powerful state ideology which is widely accepted as its own justification for various sorts of repression; or that of a rule of law which gives minorities an adequate sense of autonomy. If it is then accepted, as in my view it should be, that Marxism-Leninism *in the Soviet context* is senile and, for certain (mainly psychological) reasons, not susceptible to rejuvenation, the possible answers to the question "Whither Russia?"—much discussed in this journal—are reduced to three: towards a rule of law (with more than one party), towards a dynamic new ideology, or towards territorial fragmentation.

By analyzing the mechanics of Soviet decision-making, the studies in the books under review cast considerable light on the political alternatives now facing the USSR. The Dallin-Westin volume has a more specific purpose than that of Juviler and Morton, and is better balanced both in choice of subject and style of treatment. It aims to fill a gap by supplementing the standard textbooks on Soviet government with vividly written case-studies. The latter are mostly recastings by well-known scholars of their own longer, more footnote-laden works. In their new form they are furnished with study questions, descriptive bibliographies, and cartoons from the Soviet press as illustrations. The result is a book which meets a real need for teachers.

Robert Conquest, for example, discussing "De-stalinization and the Heritage of Terror," summarizes and updates what he has written on the subject in earlier books. The keen blade of his analysis has been honed by an ability to discern psychological reality beneath mountains of verbiage. He notes, among other things, that more implied criticism of Stalin appeared in the period of Beria's ascendancy (March-June 1953) than at any other time before the 20th Party Congress; that at this congress Khrushchev by no means disowned the *principle* of liquidating political deviationists; that advance justification for any possible renewal of terror is enshrined in a paragraph of the 1961 Party Program; and that, little effort having been made either to purge Stalin's supporters or to recruit new types of people into high political office, the Soviet Union is still in essence ruled by Stalinists. Mr. Conquest also de-emphasizes, by not discussing it, the possibility—stressed in his earlier work, *Power and Policy in the USSR*—of trials against political

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opponents such as the "Anti-Party Group." All this serves to underline the conservatism of the party leadership, its acute feeling of insecurity, and its fearfulness of radical change; it therefore does little to encourage hopes for an evolution in Soviet politics towards the rule of law.

SIMILAR CONCLUSIONS might be drawn from the most solid piece of original research in either book, Grey Hodnett's study of "Khrushchev and Party-State Control." This reads like a skillfully condensed doctoral thesis and is essentially reading for serious students of the Soviet system. Keeping the wider context clearly in view, Professor Hodnett digs deep into matters of great complexity, only to demonstrate how often it is that important questions of Soviet politics cannot in fact be answered with any confidence at all. The more we understand, the less we know.

First he takes us through the history of *Rabkrin* (Commissariat for Workers' and Peasants' Inspection), its merger with the Central Control Commission in 1923, the combined organ's quasi-police role in Stalin's rise to power, its redivision in 1934, and the emergence of *Goskontrol* (State Control Commission), which served as a front organization for the NKVD until 1953. At that point *Goskontrol* lost some of its power, and from 1956 on Khrushchev began to attack it. His motives were not clear, and Professor Hodnett can only elaborate the possibilities. In any case, in August 1957, after his defeat of the "Anti-Party Group," Khrushchev at last pulled *Goskontrol's* teeth by decentralizing it, and in 1958 he strengthened the relatively weak Party Control Committee to combat the growing menace of "localism." Professor Hodnett associates this trend reasonably enough with Khrushchev's promotion of party organs to the disadvantage of state organs.

Between 1958 and 1961, officials of *Goskontrol* frequently complained about their loss of power; discussion, often esoteric and historical, went on in the press about the proper methods of controlling industry. *Goskontrol* longed to absorb the functions of a multitude of parallel agencies like the Control-Revision Administration of the Ministry of Finance, and in Professor Hodnett's words: "Enterprise

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managers could sympathize with *Goskontrol's* argument that the uncoordinated actions of some twenty-seven all-Union and thirty republic checking organizations produced chaos at the enterprise level!" The underlying debate, however, concerned the extent to which *Goskontrol* should become a mass movement and how much power it should wield, especially in relation to local party officials.

In 1961, with the development of Khrushchev's anti-managerial "populism," *Goskontrol* was strengthened, the procuracy was encouraged to prosecute party economic officials without always consulting the party beforehand,[1] and the first concrete suggestions were advanced for a return to the 1923-34 system of joint party-state control. Party control was necessary, in the words of an unusually frank article, because: "If only the soviet institution is checked or only the economic organization, then the local party leaders (who are also responsible for the poor work of these institutions and organizations, but have not been checked because of the functional splintering of our existing system of control) frequently even try to protect the people being investigated and thereby smooth over the implied evaluation of their own shortcomings."

At the plenum of November 1962, after prolonged uncertainty, Khrushchev announced his intention to bring party organs under surveillance by setting up a Committee of Party-State Control (CPSC). But despite the fact that he had advocated effective party control for some time, the new CPSC was clearly not equipped to provide it. Thus a number of questions immediately arose: Who insisted that the CPSC should not have the power to expel people from the party or that the appointment of its leaders at all levels should be so strongly influenced by party secretaries? Did Khrushchev intend that its role should in most ways be a compromise? And so on. Notwithstanding his skill and industry, Professor Hodnett cannot give a firm answer to these questions. One of the clues which he explores—the fact that three-quarters of the speakers at the plenum who could be expected to react to the creation of the CPSC were cool to it—does not show that it was necessarily the object of such special opposition as he implies. Khrushchev's division of the party into industrial and agricultural sections also evoked very little enthusiastic response from other party leaders.

[1] The theory and practice of party members' partial immunity from the law is an intriguing subject which does not yet seem to have received the close attention from scholars that it deserves.

Finally, after recording the demise of the CPSC in December 1965, Professor Hodnett demonstrates how his case-study can be interpreted as supporting either of two opposing theories: that Khrushchev was merely *primus inter pares*, or that he was an all-powerful dictator. In terms of the power to change Soviet society (as opposed to the power to carry out reorganizations, which in fact change nothing at the local level), the first theory seems more compelling to this reviewer, but in either case Professor Hodnett is right to stress that too much attention can easily be paid to a leader's personal power and not enough to the practical decisions that are taken by the Politburo as a whole. Indeed, his analysis provides much evidence of the strength of the vested interests that a Soviet leader must take into account and of the consequent difficulty he has in formulating, let alone successfully imposing, policies of radical change. This does not bode too well for progress towards a rule of law.

ON SPECIFICALLY political matters, Messrs. Conquest and Hodnett are joined in the Dallin-Westin book by Bernard Morris, who writes a clear, accurate account of the 22nd Party Congress, giving full weight to foreign affairs. Some of the ground covered by these three authors is also explored by Robert Slusser in the Juviler-Morton symposium. He contributes a long and stimulating but sometimes overconfident analysis of Kremlin politics from 1953 to 1964, putting much emphasis on the last four years of that period and on foreign policy. His "multi-dimensional approach" is rewarding and indeed essential if Soviet politics are to be understood in any depth. But it scarcely justifies the undocumented assertions, swallowed whole by his editors, that a Kozlov-Suslov-Shelepin opposition, inspired by Poskrebyshev(!), functioned against Khrushchev from 1959 onward. Further, one may reasonably doubt some of his other confident interpretations when he views the institution of the CPSC in 1962 as a clear blow against Khrushchev by the opposition: Dr. Hodnett's study disarms such easy confidence.

Also writing in the Dallin-Westin volume, John Hazard provides a useful survey of the history of Soviet law as an instrument of social control, although his emphasis on legal writing rather than legal practice leads him to ignore the persistence of many disturbing Stalinist methods and secret laws, all documented by recent accounts from Soviet literary figures, religious groups, and Ukrainian intellectuals. Patricia Blake retells vividly

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and with sound judgment the story of the 1962-63 literary freeze, first analyzed in this journal by Priscilla Johnson; Robert Daniels gives an exceptionally lucid account of Stalin's rise to power; and only Raymond Garthoff—on "Khrushchev and the Military"—finds it hard to enliven his competent paper with fresh insights and generalizations.

The Juviler-Morton book contains two pieces on literature: an invigorating essay by Peter Viereck —reprinted from *Tri-Quarterly* and full of a poet's perception—and a short, characteristically witty research note by Maurice Friedberg, an earlier version of which first appeared in *Problems of Communism*. The latter shows how the pressure of the ruble on Soviet ministries persistently promotes cultural coexistence—to the irritation of the ideological gendarmes. And Mr. Viereck, treating many of Miss Blake's themes from a more free-ranging perspective, sees in the souls of the literary bureaucrats what he calls "National Bolshevism, a cousin to German National Socialism." He also raises a more controversial issue when he writes: "Only the frustration of Russia's very strong and unhaltable cultural momentum can arouse Russia's very weak momentum for the political kind of freedom." A theme of this complexity requires more space than is available here, but it may be worth pointing *en passant* to a useful starting-point, namely the preoccupation with law and legality to be found in much recent underground literature.

The other studies in the Juviler-Morton volume should at least be noted. They are: an interesting but rather loosely written history of Soviet family-law reforms by Peter Juviler; a new piece of research by Loren Graham on the controversy which began in 1959 over how to reform the Academy of Sciences; an admirably clear exposition by Marshall Goldman of how failing economic growth-rates gave rise to "Libermanism" and eventually to Kosygin's cautious reforms of 1965; and a well-researched history of the anti-parasite campaign, giving a detailed view of the local effects, by Marianne Armstrong.

In their preface, Juviler and Morton see prospects of "a system in flux, with centrifugal forces straining at centralized controls." While they see less of a crisis in the Soviet system than might be inferred from some of the studies under review, they by no means rule out the possibility of a reversion towards severe repression. Further, in his usefully provocative (if in places oversweeping) introduction, Professor Morton discusses the forces which favor movement towards a rule of law, or at least greater socio-political freedom, and echoes the essence of what Barrington Moore formulated so well many years ago: "As long as party leaders attempt to rationalize Soviet society, they must pay a price in looser social and ideological controls." True enough, but by assuming that the party can easily keep a loosening of its controls within manageable bounds, Professor Morton may well be underestimating the long-suppressed and often profound emotional antipathy that many Soviet citizens feel toward their regime.

Few scholars would deny the presence of diverse forces in the Soviet Union: some tending towards a rule of law, some towards National Bolshevism (or communism), some towards territorial fragmentation. These studies, taken as a whole, underline the party's strong resistance to a growing if incoherent pressure for greater legality, and its tendency to avoid radical innovation and to rely on the sort of conservatism which could well end in territorial fragmentation. Unfortunately, the theme of National Bolshevism—that is, a system combining most of the economic-political dogmas of Marxism-Leninism with an intense Russian chauvinism—has been little explored, and there is no study of Soviet nationalities policy that throws light on the possibility of territorial fragmentation, either in general or in a particular republic. The enigma of "Whither Russia?" could well shed a mystery or two to some hard research in these areas.

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Reviews in Brief

Lenin and Stalin

STEFAN T. POSSONY, ED: *Lenin Reader.* Chicago, Henry Regnery Company, 1966.

T. H. RIGBY: *Stalin.* Englewood Cliffs, N. J., Prentice-Hall, 1966.

THE *Lenin Reader*, edited by Mr. Possony, director of political studies at the Hoover Library in California, comes in the wake of numerous collections, official or critical, of Lenin's writings, alone or with those of other Communist leaders. Most of the material Possony uses is familiar—*What is to be Done?*, *Imperialism, State and Revolution*—and practically everything in the *Reader* was included in the ten-volume *Selected Works* published in New York in the 1940's. The material is organized topically and chronologically. Thus the compilation affords a convenient introduction to the development and consistency of Lenin's ideas on any particular subject—theoretical principles, economics, the state, the national question (rather a weak section), imperialism, revolutionary strategy and tactics.

Mr. Possony explains that the introduction he originally wrote for this book grew into his recent, controversial biography of Lenin.[1] In the new brief introduction to the present volume, he suggests that Lenin had lost his revolutionary fanaticism before he died, and was entering a new "constructive phase." This was the line continued by Bukharin during the NEP, broken off by Stalin, and only now, Possony thinks, hesitantly approached again by the Soviet leadership. This idea, while not entirely new, is argued convincingly by the author.

The anthology of Stalin, edited by Mr. Rigby, Professor of Political Science at the Australian National University, is of a very different sort. It is cast in the framework of Prentice-Hall's "Great Lives Observed" series, which brings together, along with an introduction by the editor, a selection of the man's own words, the impressions of his contemporaries, and the judgments of several historians. Applied to Stalin, the method is interesting, but it cannot be called an unqualified success.

If Possony's collection is limited by graphing only the inner Lenin, Rigby's suffers from the opposite. Apart from the first section, a succinct, well-chosen collection of Stalin's writings and interviews, most of the material consists of snapshots that often reveal much of Stalin's character and qualities, but neglect the subtleties of his thought and the vicissitudes of his progress to power. Practically all the authors Rigby reprints—from Lenin and Trotsky to Isaac Deutscher and George Kennan—underscore the familiar image of sly tenacity and machiavellian power-quest. Many—E. H. Carr, Robert Tucker, Milovan Djilas—emphasize the unwesternized Russian who lived inside the Georgian Marxist. What is lacking here is the kind of motivational revelation that Lenin makes about himself. This is not Rigby's fault; it reflects the paucity of sources and the shortcomings of existing biographical analysis of Lenin's successor. What he could have done was to trace Stalin's construction of the party machine—a topic on which material does exist, but which to this day has not been adequately investigated.

In weighing these two compact documents of the character of Lenin and Stalin, it is tempting to wonder again which leader is more responsible for communism as we know it. Or more concretely, what features of the Soviet regime and the Communist movement can be attributed to their respective periods of leadership? To raise the question and suggest that Stalin may have made a contribution supplementary to Lenin's, or independent of him if not actually contrary, is to challenge the view that the Soviet system has followed inexorably from Lenin's plans and methods. But it is the overwhelming consensus of serious scholarship, including Rigby himself, that a real evolution or shift did take place from Lenin to Stalin, not to mention the changes from Stalin to Brezhnev, even if a good deal of Lenin's legacy may have survived.

In Lenin's writings we can see the polemical vocabulary and the Manichean world-view of the elect struggling against all the forces of darkness that still distinguishes official Soviet thinking. In the Possony volume there are some interesting and relevant excerpts on the control of culture, the resort to capitalistic industrial ideas, and a general machiavellianism in

[1] Stefan T. Possony, *Lenin: The Compulsive Revolutionary*, Chicago, Henry Regnery, 1964. Reviewed in *Problems of Communism*, No. 1 (January-February), 1965.

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political tactics. But for the real spirit of Soviet political authority, Soviet economic development, Soviet anti-intellectualism, we surely have to turn to Stalin.

Stalin's biographers all stress this, even those who represent him as a mere agent of history. Lenin was the destroyer, who barely had time to begin his reconstruction. Stalin was the builder, on his own lines. This much is obvious. But disagreement is likely to continue over whether the lines of Soviet construction were based on Lenin's "blueprints" or departed from them, and if the latter, whether the new lines were dictated by historical forces that Lenin never grasped, or by the views and wishes of Josef Vissarionovich Stalin.

Robert V. Daniels

Russia and China

RAYMOND L. GARTHOFF, ED: *Sino-Soviet Military Relations.* New York, Frederick A. Praeger, 1966.

IN THE MARXIST-LENINIST interpretation of history, war is a phenomenon of class societies, intrinsic to the capitalist system of economically competitive states. Indeed, of all the possible kinds of wars posited in Marxist-Leninist theory—including wars between the Communist and capitalist systems—the one variety conspicuously missing from the list is a war between fraternal proletarian states. The Sino-Soviet dispute of the past decade has raised many questions, but none perhaps of greater interest than whether the dispute is likely to lead to an outright military conflict, which would invalidate the long-standing dogma that war between two Communist states is impossible.

Obviously, no one can predict how history will answer this question, and the present volume of essays does not attempt to do so. It does suggest, however, that military relations between these Communist powers have developed in a way not foreseen in the earlier days of the Communist movement. Although the editor, Raymond L. Garthoff, sets down the chances of open military conflict as "remote and unlikely," the reader may infer from the record of past Sino-Soviet relations that war between the two Communist giants cannot be excluded from possible developments in the future.

O. Ferdinand Miksche, one of the contributors to this collection, takes precisely this assumption as the starting point for a chapter on the strategic and geopolitical conditions of a future war between the Soviet Union and China. Other contributors, including O. Edmund Clubb, Harold P. Ford, John R. Thomas, and Alice Hsieh, provide a useful and informative historical review of a variety of issues that have arisen in Sino-Soviet military relations, mostly in the period since World War II. Conflict in the Sino-Soviet borderlands, Soviet intervention in Manchuria toward the end of the war, the 1958 Quemoy crisis, and the nuclear dialogue between Moscow and Peking are among the subjects treated. One will also find an interesting appraisal by Malcolm Mackintosh of how the Chinese problem may look to the Soviet marshals as well as chapters by Mr. Garthoff on the political side of the increasingly strained military relations between the two Communists rivals.

Unfortunately, the essays making up this volume were written before there was time to assess such developments as Mao's turbulent Cultural Revolution, China's test of a thermonuclear weapon, and the impact of the lengthening Vietnam war on Sino-Soviet relations. Still, the volume meets the need for a competent presentation of the rocky course of Sino-Soviet military relations—an aspect of the quarrel between Moscow and Peking to which the literature of the dispute has given comparatively little attention.

Thomas W. Wolfe

Soviet Insurance

BERNARD RUDDEN: *Soviet Insurance Law.* Leyden, The Netherlands, A. W. Sijthoff, 1966.

IT COMES AS A surprise to many people to learn that there is not only a social security system in the Soviet Union, but also many of the branches of what is known as private insurance —such as, for instance, life insurance. Even many students of the Soviet economy are unaware of the extent of voluntary insurance in the USSR. *Soviet Insurance Law* should thus prove very helpful to those who seek a general introduction to this subject and a discussion of its legal basis.

The first part of the book takes up the history of insurance in Russia from the days of the Tsars to the present. This is followed by descriptions of the structure and operations of the internal insurance organization, *Gosstrakh,* and of the various kinds of compulsory insurance for property (buildings, crops, livestock, and fishing vessels—primarily, of course, those owned by collectives) and for personal injury to travelers on public transportation.

Part II, which deals with the development of the Civil Codes, is of relatively little interest to the general reader. Part III consists of two sections: (1) a description and brief discussion of the social security program; and (2) an interesting analysis of the legal provisions regarding the public liability of an individual or organization for damages caused to another person.

In Part IV Mr. Rudden raises the question of whether insurance is compatible with a socialist form of government. He concludes that the idea of risk-spreading is consistent with communism, for Marx's slogan—"from each according to his ability, to each according to his needs"—after all amounts to one of the broadest principles of insurance. This reviewer prefers to argue that this analogy is an oversimplification, and that, furthermore, all insurance is not necessarily desirable for the good of mankind.

Mr. Rudden is to be commended for a very thorough study and a clear presentation of Soviet insurance law, even though, on certain points, he seems only to consider the shape of the system on paper without venturing to the more demanding question of how the system works in practice. For example, the casual reader might believe that there is far more private ownership of the means of production in the Soviet Union than is actually the case. There is also a certain naivety in several remarks about Soviet life: at one point the author says that every building and every cow are insured (p. 52), and at another, he accepts, apparently without question, Soviet claims about the large numbers of persons of extremely

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advanced age in some sections of the country (p. 137). Then, too, he declares that "there is almost no Western work on the subject," whereas a large number of papers and reports on this topic have appeared in insurance and social science publications in England, the United States, and West Germany.

Still, the author rightly disputes the assertions of Soviet officials who would have us believe there is no unemployment in their economy, and that their social security system is superior to that of other countries because "no cost is involved to the worker" for his pension—that is, because the Soviet worker does not make direct contributions to the social security system. But when all is said and done, who does bear the cost of a social security program in a socialist economy, where the employer is synonymous with the state, and where the state, in turn, is synonymous with the people?

Robert J. Myers

Soviet Reforms

EUGENE ZALESKI: *Planning Reforms in the Soviet Union,* Chapel Hill, The University of North Carolina Press, 1967.

THE VOLUME under review represents the inaugural effort of the Office of Soviet Economic Research at the University of Virginia to encourage scholarly interchange in the field of Soviet studies. A happier choice than this work by the French scholar Eugene Zaleski can hardly be imagined. Mr. Zaleski has a thorough knowledge of Soviet institutions and theories, is well versed in the professional literature, and commands an exceptionally lucid style of exposition. For the non-French reader his book offers the bonus of a wealth of references to French research on the Soviet Union—a sadly neglected source in English-speaking countries.

Mr. Zaleski treats three related topics: the system of Soviet administrative planning; recent proposals for reform, particularly those advanced in the Liberman debates; and the current industrial reform. The unifying perception which Zaleski brings to bear on these issues is his appreciation of the limits placed on Soviet economic theory and practice by the realities of political power. Thus the very detailed and instructive discussion of the Soviet planning system is shaped by the recognition that the Central Planning Agency is not free to steer the planning process according to technical criteria established by its experts, but is torn "between the directors of the party Politburo and the government on the one hand, and the pressure from ministries and republics (which it cannot resist) on the other."

Similarly, for Zaleski the essence of the Liberman debates is that they bypassed the crucial issue confronting the economy: whether to continue the current administrative planning system of imposing the wishes and preferences of the ruling group directly on the production units and households, or to institute a market system in which the ruling group would make its preferences known through selective subsidies, credits and fiscal exemptions, and in which consumers would influence production through exercising effective, if not uncontrolled, demand.

Instead, the Liberman reform proposals and the ensuing debate were addressed to subsidiary micro-economic problems, and particularly to the question of enterprise efficiency in the utilization of capital and labor. Clearly, says Zaleski, political considerations were responsible for this diversion of attention from the market mechanism; since the introduction of even a modified market economy would significantly narrow the jurisdiction of the present party and state apparatus, even theoretical discussions of such topics are severely circumscribed.

The same consideration holds true for the implementation of the current industrial reform. Writes Zaleski (in November 1966): "While claiming to liberate the enterprise from the supervision of higher agencies, the Soviet leadership still imposes all the essential elements making up an enterprise plan: quantity and quality of output [sold], supplies and customers, employment, wages, costs, profits and investment." He goes on to demonstrate in detail his thesis that the liberal features of the reform—particularly the enlargement of enterprise autonomy and the introduction of measures for indirect economic guidance—are being denatured and subordinated to the imperatives of administrative planning.

This highly schematic outline of Mr. Zaleski's central thesis cannot, of course, do justice to the intricate texture of his richly documented and closely reasoned argument, but it may suggest the book's value as a pragmatic appraisal of Soviet economic development in the short run. Whether it will be an equally reliable guide for the future remains to be seen. For in the long run it is conceivable that the admixture of indirect guidance measures, however limited in application, may prove incompatible with the present system of direct administrative guidance, thus destabilizing the system even further. This is another way of saying that the growing complexity and size of the Soviet Union may not, in the long run, accommodate a planning and guidance system as unsophisticated and inflexible as the one which Mr. Zaleski describes, and that the present modifications may become ineluctably the thin edge of more radical changes. Such speculations are, of course, *Zukunfstmusik;* it is Mr. Zaleski's special merit that he keeps us firmly on the solid ground of the present.

Theodore Frankel

Soviet Agriculture

MOSHE LEWIN: *La Paysannerie et Le Pouvoir Sovietique, 1928-1930.* Paris, Mouton & Co. and École Practique des Hautes Études, 1966.

THE TITLE of this book is unfortunately misleading. For Mr. Lewin, who is attached to the École Practique des Hautes Études of the Sorbonne, has in fact produced the definitive work on the evolution of Soviet agricultural policy in the crucial years 1917-1928. The author seems to have left no important aspect of the agrarian problem untouched nor any relevant source unnoted in his efforts to trace the events leading up to the collectivization of Soviet agriculture. Thorough scholarship, a flowing style, and unerring ability to focus on the key questions are combined in a first rate, exciting history.

The book begins with a sociological and economic sketch of the Russian peasant in the middle of the NEP, which Mr. Lewin expands into a broad summary of the transformation of the

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villages wrought by the Revolution. Levels of property and inventory ownership, relations between hired help and kulaks, and locations of economic and political power are all examined in an attempt to establish the condition of the Russian peasant at that time. Mr. Lewin then moves to an examination of the party's strengths and weaknesses in the countryside, and to the economic problems—industrial and agricultural—facing Lenin's successors. Only then does he proceed to the heart of the volume—the manner in which Stalin, the Left, and the Right reacted to the "objective realities" of the peasants' economic power. The book's last section, drawing heavily on recent Soviet publications, traces step by step the events of 1928-29 which led to the onslaught against the peasantry in early 1930.

No review could begin to suggest the richness and depth of the book. Let it simply be noted that the reader in search of the numbers or state of *kolkhozes* or *batraks* or *selsovets* in the 1920's can find all this information, analyzed and placed in perspective, in this volume. In addition, the author has made the best summation of Bukharin's agricultural views that this reviewer has read.

Mr. Lewin's story ends in the last months of 1929; but he promises another volume which will cover the great collectivization drive in the early 1930's. It is good to know that by the time the second volume appears, the first will have been published in English.

Allan B. Ballard, Jr.

Czechoslovak Foreign Aid

ROBERT F. LAMBERG: *Prag und die Dritte Welt.* Hanover, Verlag für Literatur und Zeitgeschehen for the Forschungsinstitut der Friedrich-Ebert-Stiftung, 1966.

SINCE THE MID-1950's the Soviet Union and the countries of Eastern Europe have worked to initiate and establish political and economic ties with the states of the Third World. In the area of economic assistance, military aid and foreign trade, Czechoslovakia ranks second only to the Soviet Union in importance among Comecon members. Although Czechoslovakia's population makes up only about 4.2% of the total population of the Comecon countries and its industrial production comprises 7.3% of the total, Czech exports to the developing countries make up about 20% of the exports of Eastern Europe and the Soviet Union, including one third of the supply of machinery and complete projects to the Third World.

In *Prag und die Dritte Welt*, Robert F. Lamberg has provided an extremely valuable addition to studies of Soviet and East European relations with the developing nations. Until the appearance of Lamberg's book, Czechoslovak policy toward the Third World has been dealt with only peripherally in analyses of Soviet foreign policy or of the policies of Communist states as a bloc. Mr. Lamberg has brought together an impressive amount of data on Czechoslovak political, economic and cultural contacts with the developing countries. The author argues convincingly that Czechoslovak policy is largely an extension of Soviet policy, and that Soviet theory on national liberation and political development provides the rationale for Czech policy.

The most important contacts which Czechoslovakia has with developing countries are in the area of trade and economic assistance. By 1965, Czechoslovakia had diplomatic relations with almost fifty countries and trade agreements with more than forty of these. Following the example of the Soviet Union, Czechoslovakia has employed negative trade balances and credits tied to the export of Czech goods, and has concentrated its economic favors on a few countries. Trade with developing countries made up 41.8% of Czech trade with non-Communist states and 10% of total trade in 1963. The greatest part of Czech exports consists of machinery and complete industrial projects (more than 60% in 1963, up from 52.5% in 1960), financed by loans, usually at 2½% annual interest for a period of from eight to twelve years. Total Czech credits by March 1965 amounted to approximately $500 million, not counting a possible $200 million more in unpublicized loans to a small number of countries.

Besides their political and economic contacts, the Czechoslovaks have also developed a large-scale program of technical assistance to developing countries, which includes the training of thousands of students from Asia, Africa, and Latin America in Czechoslovakia (more than 3,000 in 1963-1964). In addition to university training, the Czechs also provide training for hundreds of skilled workers and technicians.

The major contribution of Mr. Lamberg's study is his collection of data, and the translation of the major treaties and trade agreements between Czechoslovakia and the countries of the Third World—eighty-five pages of documents in all. The book suffers from the absence of a sophisticated analysis of the goals and purposes of Czech relations with the Third World—an absence which does not, however, detract from the overall value of the book.

Roger E. Kanet

French Communism

ROBERT WOHL: *French Communism in the Making, 1914-1924.* Stanford University Press, 1966.

SINCE REMARKABLY few scholarly histories of European socialist and Communist parties in the inter-war years have been written, Professor Robert Wohl's book is particularly welcome. Coming three years after another significant work in the same general area, Annie Kriegel's *Aux origines du communisme francais, 1914-1920* (NY, Humanities Press, 1965, reviewed in *Problems of Communism*, Sept.-Oct. 1965), Professor Wohl's volume carries the story of French communism through an even more obscure and neglected period; the years 1920-1924. Mme. Kriegel's 1000 page study established an awesome precedent in scholarly thoroughness, and it is not surprising that Professor Wohl has uncovered little in his first 200 pages (encompassing the years 1914-1920) that goes significantly beyond her findings. Yet, because his style is so clear, unencumbered, and at times, striking in its skill and literary sensitivity, an English or American reader will find the first section of Professor Wohl's book far more inviting than Mme. Kriegel's two volumes and perhaps only slightly less rewarding factually.

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But it is in the second half of the book that Professor Wohl has done his most original scholarly work—on the years following the 1920 schism of the SFIO (Section Française de l'Internationale Ouvrière) at Tours. At that time, the French Communists Party turned upon itself in a tangle of personal jealousies, intrigues, and exhausting intra-party maneuvers until a "cold wind from Moscow" began to make of the party a rigidly disciplined, obedient organization, closely resembling the Bolshevik model.

Prof. Wohl's skillful use of sources in French, German, and Russian is impressive. Equally laudable is his attempt to place the history of French socialism and communism in the broader contexts of French and European history, which compelled him to thread his way painstakingly through voluminous primary sources, including many archival materials not previously used, such as those left by the "eye of Moscow" in France, Jules Humbert-Droz. At this point in the book the narrative becomes more difficult to follow because of heavy reliance on Humbert-Droz' reports describing and analyzing the French party's seething factions for the men back in Moscow.

Professor Wohl has also provided a useful bibliographical essay, which includes a consideration of Soviet secondary studies of the period—an innovation as far as this reviewer knows. After considering the recent books by George Lichtheim, E. H. Carr, and David Caute, Professor Wohl remarks, "their work, taken together with Mme. Kriegel's, suggests that the study of French communism has finally come of age." Clearly, the publication of *French Communism in the Making* in itself offers proof of the validity of this assertion.

FRANCOIS FETJÖ: *The French Communist Party and the Crisis of International Communism*. Cambridge, Massachusetts Institute of Technology Press, 1967.

FRANCOIS FETJÖ'S careful study concerns the eventual reversal of the process described by Robert Wohl in *French Communism in the Making* (reviewed above). While Professor Wohl traced the initial steps in the French Communist Party's (PCF) development into an obedient outpost of Moscow's foreign policy and of the struggle for power within the Soviet party in the early 1920's, Mr. Fetjö shows how French communism has developed into a relatively independent political force since the death of Stalin and the demise of Khrushchev.

Just as the French Communist Party was one of the last to abandon the thought and methods of organization of pre-World War I socialism, and just as it resisted total subordination to Moscow longer than most Communist parties, so was it one of the slowest to respond to the new opportunities of the post-Stalinist period, Mr. Fetjö offers abundant illustrations of the sterile, leaden, and at times even pathetic attempts of the PFC *apparatchiki* to deal with such questions as the war in Algeria, the Common Market, or the Cuban missile crisis. His study has the considerable merit of placing the actions of the French party in the context of the evolution of other European Communist parties. Comparisons with the Italian Communist Party (PCI) are of particular interest because, while resembling the PCF in size, geographic location and industrial context, the PCI was extremely quick to respond to the allure of polycentrism (a term coined of course by the Italian party leader, Togliatti). The French, on the other hand, only began to chart a separate course after the fall of Khrushchev, and after having been implicitly encouraged to do so by the new leaders of the Soviet Union. As Mr. Fetjö points out, many previous areas of friction between the French and Italian parties—for example, over their attitudes toward the Common Market—have been resolved in favor of the Italian position.

Mr. Fetjö's account, though clearly and judiciously written, impressed this reader as flat, even tedious. This was in part unavoidable, for the author had to draw largely on the Communist press and official party pronouncements, supplemented sparsely by unnamed "private sources." To create lively yet accurate prose from such dreary material is no easy task; unfortunately, many of Mr. Fetjö's pages verge on pure *analyse de texte*. Few personalities emerge; Maurice Thorez, the long time head of the PCF, is frequently mentioned but not truly identified. The emotions that must have surrounded the party's upheavals do not come to life. Month by month, year after year, the pronouncements of the party are recorded, the twists and turns in policy exhaustively scrutinized, and thoroughly documented. There is hardly a paragraph without some sort of direct quotation from the sources.

While the book does not amount to engaging reading, the questions it raises are important and timely. French communism surely cannot survive on the methods and slogans of the Stalinist period. But how can the West European Communist parties retain their traditional notion of a "special" role while their programs are scarcely distinguishable from those of any other left-wing parties committed to social justice and world peace? This is the question that the next generation of European Communist leaders will have to answer.

Albert Shirk

Fiscal Politics

VLADIMIR PETROV: *Money and Conquest: Allied Occupation Currencies in World War II*. Baltimore, The Johns Hopkins Press, 1967.

OCCUPATION CURRENCY is more than a means of exchange for the conquering army: it is also a powerful tool with which the victor, who controls the issuance of currency, can manipulate the economy of the occupied country and punish the vanquished foe. An occupying power, by making immoderate use of the printing presses, can—to use a well-known expression attributed to Lenin—"debauch the currency," wipe out certain social and economic groups, and destroy the very fabric of society in a conquered country.

The multiple role of occupation currencies is analyzed by Vladimir Petrov in his review of "occupation finance policies and the experiences of Germany and the wartime Allies," as well as the "unplanned consequences of these policies."

Mr. Petrov, of course, deals with both the Western and Eastern fronts, but it is the latter—that is, Eastern Europe—which should be of special interest to the readers of this journal, inasmuch as it offers a clear illustration of the use of occupation currencies (and, more

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broadly, of occupation policies) to achieve Communist objectives. As stated by Petrov, "the economic and financial aspects of Soviet occupation in the 1939-40 period" in eastern Poland, Bessarabia, the Baltic countries (and, after 1944, in all the East European countries) "suggest that the Soviet government was guided by two major considerations: to secure benefits for the Soviet Union, and to induce in the occupied countries a runaway inflation in order to lower their standard of living and to undermine the traditional socio-economic measures which were carried out by the occupation authorities to the same end."

The tools of this policy were a) an overvaluation of the ruble "by maybe as much as 2,000-3,000 percent"; and b) a massive increase in the money supply. In Rumania, for instance, there was a 63-fold increase between 1945 and 1947; in Hungary the amount of paper money in circulation rose from about 6 billion *pengö* (December 1945) to "an astronomical 6,277,000,000,000 billion *pengö* in June 1946" (p. 180).

In the case of Germany, all wartime allies used one occupation currency: the M-mark. The United States supplied currency to other Western powers and, after lengthy negotiations, delivered duplicate plates for printing the M-mark to the Soviet government. Harry Dexter White, then Assistant Secretary of the Treasury, played a major role in the formulation of the policy which culminated in the delivery of the plates. Subsequently the West issued about 10 billion marks and the Soviet government not less than 78 billion.

"The amount of currency in circulation, already excessive at the end of the war, increased three or four times during the following three years, creating monetary inflation in immense proportions." Moreover, "the device of common currency allowed the Soviet government to draw heavily upon the resources of the Western zones of Germany."

With this book Mr. Petrov makes a major contribution to our knowledge of the problems of troop-spending and of war-born inflation. His concluding "Highlights and Observations" should be required reading for all defense planners. To the extent that *Money and Conquest* also helps to remind us that runaway inflation in any country may be exploited by the Communists for their own political ends, the book should be recommended to those who strive to develop less advanced countries while ignoring the issue of monetary stability.

Victor B. Sullam

WHAT IS FREEDOM?

The imperialists and their ideologists like to boast about their multi-party system as a sign of their democracy. But the transfer of power from the hands of one party to the hands of another party, also bourgeois, and the endlessly shifting combinations of political groupings and political figures are time-tested means of duping the masses and retaining power.

The Marxist-Leninist parties' accession to leadership of the society put an end here to the arbitrary rule of bourgeois parties, the meaning of whose activity was reduced to ensuring the mercenary interests of various groups of capitalists. But the Communists' leading role in socialist states by no means precludes the possibility of their alliance with other political parties that *support the development of society along a path toward socialism.* As far as our country is concerned, petit-bourgeois parties here left the historical arena because they crossed over to the camp of counterrevolution and thereby forfeited the people's trust.

Bourgeois propagandists also boast of democratic freedoms; in particular, they pass off as a "boon" the fact that Marxist-Leninist parties, a Communist press, etc., exist in capitalist countries. This sometimes has an effect on the imaginations of politically unexperienced people. However, the existence of democratic freedoms in bourgeois society is not a favor conferred by the gentlemen capitalists but the result of a certain correlation of class forces in the world arena and within the capitalist states and an indication that the imperialist bourgeoisie in certain countries of the world is not omnipotent. It is at times compelled to make concessions for the sake of its mercenary desire to retain power and wealth. But wherever possible, the bourgeoisie takes the harshest possible measures to restrict or completely liquidate democratic freedoms. Hence the struggle to preserve and expand these freedoms is of profoundly vital importance to the working people of the capitalist countries: *It is a component part of the struggle for socialism.* While criticizing the historical narrowmindedness of bourgeois democracy, Communists at the same time resolutely oppose reactionary encroachments on democratic freedoms.

—From "Democracy, Freedom and the Responsibility of the Individual," by G. Smirnov, Pravda, Dec. 4, 1967 (translated in The Current Digest of the Soviet Press (New York), Dec. 27, 1967, pp. 8-9 (emphasis supplied.)

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NOTES & VIEWS

Soviet Historians and China's Past

By Richard C. Thornton

During the past few years there have been intermittent calls by the Soviet leadership for a new Communist summit conference, but for one reason or another Moscow has been unable to muster sufficient support from the major Communist parties. Last November, however, following the Moscow celebrations honoring the 50th anniversary of the October Revolution, it was officially announced in the Soviet capital that a "consultative meeting" would be held in Budapest in February 1968 "for a collective exchange of opinions" on the calling of a formal international conference of Communist parties.[1] The consultative meeting will presumably discuss and fix the agenda for the formal conference.

It appears that one of the purposes of such a conference—at least as envisaged by the Russians—would be to deal with the growing Chinese problem, possibly by reading Mao Tse-tung and his followers out of the world Communist movement.[2] But an action of such magnitude could not be undertaken without some sort of accompanying doctrinal justification. It would be impermissible merely to charge that the Chinese are anti-Soviet and therefore should be excluded from the "socialist camp," for this would flout and seriously undermine the entire concept of a socialist community. Some other basis must be found to justify the exclusion of the Chinese from the Communist movement, and it must necessarily center around the contention that they are *not* socialist and *not* on the path toward socialism.

The complication is that any new Soviet policy formulation vis-à-vis China will have to be sufficiently flexible to permit the Soviet leadership to condemn Mao Tse-tung while holding open the possibility of a

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[1] *Pravda*, No. 25, 1967, p. 1. According to the announcement, the Communist parties of Australia, Argentina, Bulgaria, Brazil, Great Britain, Hungary, East and West Germany, India, Italy, Mongolia, Poland, Syria, the United States, Finland, France and Czechoslovakia will participate in the consultative meeting.

[2] On November 28, 1967, *Pravda* carried a front-page news item in which it was stated that "the purpose of a conference cannot be interference in the affairs of any fraternal party whatever, or still less the 'excommunication' of anybody from the Communist movement." The statement raises several possibilities. First, it suggests that one of the original reasons for calling the conference was precisely to secure the "excommunication" of some group, which could only mean the Chinese. Second, it may indicate that, as a result of internal discussions such as those noted in this article, the Soviet leadership has deemed the risk of excommunicating the Chinese from the movement too great and has consequently backed down. Finally, the public denial could be simply a tactical maneuver to obtain support in the Communist world for such a conference with little or no effect on eventual conference proceedings.

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socialist future for his opponents. Recent public statements suggest that the Soviets have, in fact, been thinking along these lines. In March 1967, CPSU First Secretary Leonid I. Brezhnev stated that "what has been happening in China recently looks . . . like a reactionary military coup, with Mao and the army overthrowing communism." [3] And last August, *Pravda* published a lengthy analysis of the Chinese situation which concluded that "if the Mao group manages to continue in power, the possibility of a big historic zigzag in the development of Chinese society cannot be ruled out." [4]

These indications are lent added weight by the fact that Soviet scholars have been experimenting for some time with varying theoretical formulations which would lend support to a claim that Chinese society has undergone just such "a big historic zigzag." This experimentation has been in the form of a reinterpretation of China's past in Marxist terms, with implications for current Soviet political purposes that cannot be overemphasized. The chief area of experimentation centers around the periodization of Chinese development in the 16th to 19th centuries, involving the question of Chinese feudalism. As far as can be determined, Soviet scholars now agree that China never experienced feudalism, but they disagree sharply on what China did experience. In the heated discussions which are in progress, one group of scholars holds that the slaveholding stage of development (in Marx's schema of stages—primitive communal, slaveholding, feudal, capitalistic, socialist) extended up to the 19th century. Another group claims that this period was characterized by what has been termed the "Asiatic Mode of Production." The latter argument has led to further complications. Soviet historians, since they profess to be Marxists, must find a solution to their problems within the Marxist framework of historical stages, but the Asiatic Mode of Production has not been recognized in the Soviet world as a part of Marx's overall schema for over thirty years. Therefore, one of the focal issues in the discussions among Soviet scholars is whether or not this long-buried concept should be reinstated.

Historically, the concept of the Asiatic Mode of Production (which appears to be a Soviet term, and one rarely used by Marx) has been politically loaded.[5] According to Marx, an Asiatic or Oriental society was characterized by the presence of a single ruler wielding despotic control over an atomized social structure. He also saw this type of society as non-developmental except under external pressure and influence. This implied that such a society could not fit into the dynamic developmental scheme Marx had devised for West European states, which—in such early writings as *The Communist Manifesto*—he saw as moving ineluctably from primitive communism through successive stages —slaveholding, feudal, capitalist—to ultimate socialism.

There were several politically dangerous implications in this concept. First of all, the unchangeability of Asiatic society implied that such states independently could never become capitalist, let alone socialist. Their structure implied that a bureaucracy could function as a ruling class. In addition, if it were impossible for capitalism to develop in Asiatic states, how would it be possible for a proletariat to develop, and if there were no proletariat, how could a Communist Party, or indeed a Communist movement, come into existence as its vanguard? Moreover, if this were so, how could the Soviet Union justify a political interest in such states on grounds other than pure national interest? Finally, there was the disturbing thought that Marx had termed Russia itself a semi-Asiatic society.[6]

Before the Bolshevik Revolution, Lenin displayed an ambivalent attitude toward the Asiatic concept. In his book, *The Development of Capitalism in Russia*, written in 1899, he claimed to have proven that Russia, like Western Europe, would have to pass through the capitalist stage of development before the necessary conditions for socialist revolution would come into being. A few years later, however, he posited certain conditions whose fulfillment would enable Russia to move squarely onto the path toward socialism. These conditions included what were described by Lenin as absolute and relative guarantees. The absolute guarantee, which would permit the establishment in Russia of a socialist state, was that revolution in Russia would spark revolution in the industrialized West. The relative guarantee was that a revolution in Russia (without an accompanying one in the West) must be followed by rule without a bureaucracy, standing army, or secret police, so as to encourage the unhindered development of socialism. In 1906, in a controversy with Georgi Plekhanov, Lenin acknowledged that unless these conditions were met, the inevitable result of a revolution in Russia would be an "Asiatic Restoration." [7]

As it turned out, the Russian Rev-

[3] *Ibid.*, March 10, 1967, p. 1.
[4] *Ibid.*, Aug. 16, 1967, p. 6.

[5] The most systematic treatment of Marx's views on this subject is found in Prof. Karl A. Wittfogel's *Oriental Despotism*, New Haven, Yale University Press, 1957, Chapter 9, *passim*. See also his paper presented at the world conference of orientalists in Ann Arbor, Michigan, 1967.

[6] See especially Marx's articles published in the London *Free Press* in 1857.
[7] *Oriental Despotism*, pp. 391 ff.

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olution of 1917 took place without either the absolute guarantee of revolution in the West, or the relative guarantee of rule without a bureaucracy, army, or secret police. Nevertheless, the Revolution did take place, and it now became ideologically imperative that Russia be placed squarely in Europe and the possibility of her inclusion under the Asiatic concept be eliminated. Lenin's lecture, *The State*, first printed in 1919 and republished in 1929, represented his final and successful attempt to fit Russia into Marx's European schema. In it, he affirmed the necessity for the continued existence of the coercive machinery of the state for an indefinite period, but the significance of the lecture lay rather in what it did *not* say. While purporting to present all that Marx had written on the subject, Lenin made no mention of Marx's concept of the Asiatic state and claimed in fact that feudalism still "prevailed" in backward Asiatic countries.[8] The effect of this deliberate omission was to exclude Russia from consideration in any application of Marx's concept of an Asiatic society.

If *The State* excluded the Soviet Union from the "Asiatic" category, discussions which took place in Leningrad during 1928-31 performed an identical function for China and, by extension, for underdeveloped countries in general. The failure in 1927 of the Comintern's policy of collaboration with the Chinese Nationalist Kuomintang had touched off a heated debate among Soviet historians and orientalists about the Marxist interpretation of China. One group argued that feudalism did not exist there, and that, if anything, China was—as Marx had believed—an Asiatic society. M. Kokin, G. Papayan, Eugene Varga, and L. Madyar were among the advocates of this viewpoint.[9] Another group maintained that China had developed, and would continue to develop, along lines similar to those of Europe: that is to say, China would necessarily move through the feudal stage to capitalism, and so on.

Stalin sided with the latter group, taking the perfectly defensible intellectual position of the uniformity of historical development. However, he won his case by resorting to non-intellectual means. The discussions were suppressed, and the opposing view labeled as "anti-Comintern" and designed to sabotage the current party line on China.

From February 1931 until early 1962, a span of over three decades, Soviet historians made virtually no further mention of the concept of the Asiatic Mode of Production. During this time Communist literature reflected the view that all societies were necessarily moving along a unilinear path of historical development, passing through feudalism and capitalism to socialism. Since 1962, however, Communist scholars have once again been permitted to discuss the Asiatic concept publicly. The discussions were first reopened among French "Marxists" in Paris in the spring of 1962 in connection with a lecture by the Hungarian scholar, Ferenc Tokai,[10] and the appearance of a French edition of Professor Karl A. Wittfogel's book, *Oriental Despotism*. The principal reason given for the revival was the need to develop new concepts with which to analyze the newly-emerging African states. These Paris discussions have continued and were recently summarized in a special number of *Recherches Internationales*.[11]

In late 1964, similar discussions were resumed in the Soviet Union as well.[12] In December of that year, the Philosophy Department of Moscow University held a conference on the Asiatic Mode of Production, and the following May historians and orientalists from all over the Soviet Union gathered at the Institute of the Peoples of Africa and Asia in Moscow to discuss the same concept and its relevance to those areas of the world. Of the forty-odd participants in these discussions, the vast majority were China specialists, as compared to only three "experts" on African affairs. The recently-published account of the conference also makes it clear that the China question not only was on the agenda but was, in fact, the central issue.[13]

The renewal of discussions about the Asiatic Mode of Production relates directly to the debate among Soviet historians over the interpretation of feudalism in Chinese history. On one side of this debate are those who want to state their case in terms of the Marxian theoretical framework as fixed in 1931 at the end of the Leningrad discussions (*i.e.*, the framework which excluded the Asiatic concept); on the other are those who wish to state their position on the basis of the Asiatic Mode of Production.

The first issue which must be fought out, therefore, is the inclusion

[8] V. I. Lenin, *Collected Works*, Moscow, 1965, Vol. 29, p. 482.

[9] *Diskussiia ob Aziatskom sposobe proizvodstva* (Discussions about the Asiatic Mode of Production), Moscow, 1931.

[10] The 1962 discussions were summarized in an article by Charles Parain ("Le mode de production Asiatique: Une étape nouvelle dans une discussion fondamentale"), in *La Pensée* (Paris), April 1964.

[11] No. 57-58, 1967.

[12] Early attempts to interpret the philosophical significance of these discussions are Joseph Schiebel's "National-Liberation Movements, Historical Materialism, and Soviet Philosophy," *Studies in Soviet Thought*, Vol. VI, No. 2 (June 1966), pp. 105-23; and his "Changing the Unchangeable," *ibid.*, Vol. VII, No. 4 (December 1967), pp. 84-93.

[13] V. N. Nikiforov and G. F. Kim, eds., *Obshchie i osobennoe v istoricheskom razvitti stran vostoka* (General and Specific in the Historical Development of the Countries of the East), Moscow, 1966. See the remarks of Nikiforov, pp. 9-33, and Ter-Akopian, pp. 217-219.

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or exclusion of the concept of the Asiatic Mode of Production as an integral part of Marx's scheme of historical development. The chief spokesman for those who wish to retain the 1931 classification is the Soviet historian of China, V. N. Nikiforov, whose supporters include A. G. Krimov, V. V. Krilov, G. F. Ilin, and S. M. Dubrovski. Those who wish to change the formulation established in 1931 are headed by the specialist in Marxism-Leninism, N. B. Ter-Akopian, supported by M. A. Vitkin, V. V. Struve, L. V. Danilova, K. V. Khvostova, U. E. Bregel, E. Varga, and I. L. Andreev. The division among the scholars undoubtedly reflects a divergence of views at higher political levels.

Since it is Ter-Akopian and his group that are pressing for the change in the 1931 formulation, they have held the initiative and formulated the issues on which the struggle is being fought. Nikiforov and his supporters have been forced into a defensive role. Two main issues have been raised by the Ter-Akopian group: First, is there an Asiatic Mode of Production? Second, where does it fit in Marx's scheme of historical development?

On the first issue, the Ter-Akopian group questions the basis of the 1931 decisions which denied the existence of the Asiatic concept, advancing the results of current scholarly research in support of a contrary position. Ter-Akopian asserts the well-known fact that Stalin squelched the Leningrad discussions for reasons of Comintern politics, and he contends that the majority of the participants actually supported the "Asiatic" view. He also reviews the writings of Marx, Engels, and Lenin on the question of the existence of an Asiatic mode and claims that Marx and Engels held it to be a separate formation—like feudalism, capitalism, and so forth—and that Lenin never publicly denied this view. Finally, Ter-Akopian argues that recent research tends to support the existence of a stage of development for which it is impossible to account by means of the existing theoretical framework. While admitting that the Asiatic concept may not be the most precise means of accounting for this phenomenon, he maintains that something clearly is needed and that the Asiatic concept offers the only way of remaining within Marx's original conceptual framework.[14]

Nikiforov disputes every point made by Ter-Akopian and his followers. First of all, he denies that a majority actually supported the Asiatic argument in 1931, claiming on the contrary that most of the participants in the Leningrad discussions opposed it.[15] Thus, by implication, he questions the charge that Stalin suppressed the discussions, although he does not directly take up this point.

As for the views of Marx and Engels on Asiatic development, Nikiforov argues that they saw the Asiatic Mode of Production simply as a type of production in Asia, and not as a special formation. Here again, he flatly contradicts Ter-Akopian. He states further that Lenin, in his lecture on *The State*, never mentioned the Asiatic Mode—which is technically true although it does not wholly meet the argument of Ter-Akopian. Finally, Nikiforov argues that the evidence of recent times only serves to confirm the uniformity of history, which develops unevenly, to be sure, but in the same general pattern. In short, his defense against the "Asiatics" follows the line taken by Stalin's supporters in the Leningrad discussions.[16]

On the question of where in Marx's overall scheme of stages the Asiatic Mode fits, Ter-Akopian argues, on the basis of his interpretation of Marx's and Engel's writings, that it is a separate formation, and that what was hitherto claimed to have been feudalism in the 16th to 19th century China was actually the Asiatic formation. Ter-Akopian and his group thus want to substitute an Asiatic formation for feudalism in China, just as the Kokin-Papayan group did in 1931.[17]

If this argument is ultimately accepted, several alternative interpretations of contemporary Chinese history seem possible, depending on how the current power struggle in China develops. For instance, if Mao Tse-tung should win out, it could be argued by the Soviets that an Asiatic restoration has occurred in China, thus providing a basis for reading Mao out of the world Communist movement on the ground that his regime is headed along a dead-end street with no possible chance of attaining socialism. On the other hand, if a pro-Soviet faction should emerge victorious, the Soviets, having already committed themselves to the Asiatic view, could claim that the possibility of a non-capitalist path of development to socialism still exists in China. For Soviet theoreticians have always maintained that a non-capitalist path to socialism is possible because of the prior existence of a successful socialist revolution, that is, their own. Since, by definition, internal change is impossible under the Asiatic Mode, the achievement of socialism in China would thus be conditional upon outside (*i.e.*, Soviet) assistance.

[14] *Ibid.*, 218.

[15] The key term here is "participants." Not all those who supported the Asiatic argument were permitted to participate in the Leningrad discussions. In fact, the principal exponent of the argument, Madyar, was denied participation.

[16] Nikiforov and Kim, *op. cit.*, pp. 10-12 (on Leningrad discussions), pp. 13-22 (on views of Marx, Engels, and Lenin), pp. 23-33 (on current research).

[17] *Ibid.*, pp. 217-19, 235.

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Nikiforov is no less anti-Mao, but he opposes the whole idea of the Asiatic Mode. This is probably because he recognizes that a rewriting of the basic canons of Marxism-Leninism, which a reinstatement of the Asiatic concept would necessarily involve, would hold serious implications and dangers for Soviet society. At any rate, he denies the applicability to China of the concept of an Asiatic Mode of Production on the ground that, by definition, there was no private property under such a system, whereas in China private property can be shown to have existed. Although this would seem to be the strongest defense against the Asiatic concept, Nikiforov makes relatively little of it, perhaps because the underlying assumption of the "private-property" argument is that property ownership was a source of political power, which assuredly it was not in China.

Moving on to the question of the place of the Asiatic Mode in the Marxist scheme of historical development, Nikiforov rejects the contention of the Ter-Akopian group that it constitutes a separate formation, arguing that if anything it represents merely a transitional phase between Marx's primitive and slaveholding stages. Nevertheless, he recognizes the inadequacies of the concept of feudalism for the purpose of identifying 16th to 19th-century China's stage of development, and like his opponents he wants to substitute something in its place. His position is that what was hitherto held to have been feudalism in China was actually Marx's preceding stage—*i.e.*, the the slaveholding formation. To fit the Chinese case, Nikiforov conveniently redefines the slaveholding formation to include not merely direct state exploitation of slaves, but also exploitation through communes administered by the state bureaucracy.[18]

Nikiforov has not developed his position beyond this point, but it is not difficult to perceive possible alternative interpretations of contemporary Chinese history based on his thesis. In the event of a Maoist victory, the Soviets could contend that China, in a "historic zigzag," has reverted to the slaveholding stage of development, witness the existing system of communes controlled by the state bureaucracy. On the other hand, should a pro-Soviet group emerge triumphant, the hitherto accepted Soviet characterization of modern China as moving forward through feudalism and capitalism toward eventual socialism will need relatively little doctoring.

The attractiveness of Nikiforov's position is that it provides flexibility within the existing theoretical framework. Beneath his opposition to the Asiatic concept there undoubtedly lies an awareness that to reinstate this concept might be to open a Pandora's box so far as historical interpretations are concerned. Indeed, by so doing, the Soviets might lay themselves open to very much the same sort of charges of unsocialist retrogression that they are tempted to level against the Chinese. It is perhaps in anticipation of such a possibility that Soviet scholars have recently been working with great energy on the subject of Russian feudalism.[19]

There are significant conclusions to be drawn from the ideological ferment now underway in the Soviet Union. In the first place, the discussions outlined in the preceding pages certainly have an immediate relevance to the present and future course of Sino-Soviet relations. Further, it seems clear that a reinstatement of the Asiatic concept would have both advantages and disadvantages from the Soviet viewpoint. On the plus side, it would provide Soviet scholars with an analytical tool, and Soviet politicians with an ideological weapon to use against the Chinese Maoists. On the debit side, it would imply scrapping much of the theoretical structure the Soviets have built up over the past half-century, removing "classical" Marxism-Leninism one step further away —practically as well as ideologically —from a world they are assiduously attempting to influence. In this sense, the underlying question being raised, now as in 1928-31, is the relevance of Marxism-Leninism for the non-Western world.

One final observation. It seems that there are those Soviet scholars who are quite willing to discard "classical" Marxism-Leninism as dead weight and to use the Asiatic concept as an intellectual wedge to open the way for the employment of modern sociological, anthropological, and political concepts in analyzing the non-Western world. Will this lead to a further deterioration of Marxism-Leninism, or to its reinvigoration?

[18] *Ibid.*, pp. 23-4 and 240.

[19] Three works have already appeared, and others are in progress. One is a *Festschrift* dedicated to the prominent historian of Russian feudalism, Grekov; another is N. Cherepnin, *Feudalism in Russia*, Moscow, 1966; and finally there is the massive 12-volume *Istoria SSSR s drevneishikh vremen do nashikh dnei* (History of the USSR from Ancient Times to Our Day), Moscow, 1966-67, esp. Vols. 1-3.

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EDITORS' NOTE: Readers are welcome to comment on matters discussed in this journal. Letters should be addressed to the Editors, Problems of Communism, *US Information Agency,* 1776 Pennsylvania Ave. NW, Washington, DC, 20547.

Questions from a British Communist

DEAR COMRADE: Five copies of your magazine, *Problems of Communism*, have just fallen into my hands. After reading them and other anti-Soviet, anti-Communist propaganda, I wonder why the Embassy and Government concentrated on the slander of Communist principles. Is it that the basically capitalistic and imperialistic country of America is afraid of communism? Perhaps not afraid because of its writers or its people, but because of the threat to withdraw the power from the few and give it to the people. It is not logical that the giant State of America would bomb children in Vietnam to protect freedom, but it is logical that the warfare state of America, whose whole industrial complexity is geared to war-production, is incinerating people for profits.

Your concentration on the Hungarian Revolution of 1956 puzzles me, when each summer your two million unemployed people (the Soviet Union has none, incidentally) and discriminated Negroes come from their slums and ghettos and burn your cities. Are not these protests against a corrupt and unfair state, which would rather spend money on napalm than on new houses or hospitals?

Perhaps I am being unjust: do you publish any literature on the witch-hunts in America of the 1950's? Do you produce a journal on "Problems of America"? I am sure that the rest of the world could provide you with plenty of material. So may I suggest that you put your own house in order, and then perhaps you will be in a position to preach to the rest of the world. And please keep the C.I.A. *out* of other countries' politics and organizations, and stop trying to make Europe an American satellite. I am afraid that Great Britain already is.

One thing I am upset about is that your government is so incapable, that I am afraid that your country will turn Communist before mine. I sympathise with you being in the midst of the dying struggle of capitalism, which fed you, and which you now have to see crumbling.

Here's hoping that you will send me your journal, *Problems of Communism*, and will print my letter in your "free, unbiased," comical, rag.

Yours fraternally,

MAXIM FORD
Chairman, Cardiff Young
Communist League
Cardiff, Great Britain

EDITORS' REPLY: In response to Mr. Ford's request, *Problems of Communism* will be sent to him regularly henceforth.

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